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# LEGISLATIVE ORIGINS OF THE TRUMAN DOCTRINE

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HEARINGS  
HELD IN  
EXECUTIVE SESSION  
BEFORE THE  
COMMITTEE ON FOREIGN RELATIONS  
UNITED STATES SENATE  
EIGHTIETH CONGRESS  
FIRST SESSION  
ON  
**S. 938**  
A BILL TO PROVIDE FOR ASSISTANCE TO  
GREECE AND TURKEY

---

(Executive hearings held on March 13 and 28, and April 1, 2, and 3, 1947; made public January 12, 1973)

## HISTORICAL SERIES



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EIGHTIETH CONGRESS, FIRST SESSION

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## PREFACE

*January 12, 1973.*

This is the first of a historical series of Senate Committee on Foreign Relations hearings held in executive session and relating to important historical topics during the early post-World War II period. The transcripts of these hearings, along with related material from committee files, are published in their complete form.

The transcript regulations of the committee read in relevant part as follows:

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In accordance with the committee's regulations, former Senator Henry Cabot Lodge, Jr. has given his permission for this publication and the Department of State has indicated that it has no foreign policy objection to the publication of these hearings.

The hearings which are printed herewith have not been corrected for grammar or mistakes made by verbatim reporters inasmuch as most participants are no longer available.

J. W. FULBRIGHT,  
*Chairman.*



RECOMMENDATION FOR ASSISTANCE TO GREECE AND  
TURKEY

---

ADDRESS

OF

THE PRESIDENT OF THE UNITED STATES

DELIVERED

BEFORE A JOINT SESSION OF THE SENATE AND THE HOUSE OF  
REPRESENTATIVES, RECOMMENDING ASSISTANCE TO GREECE  
AND TURKEY

---

MARCH 12, 1947.—Referred to the Committee on Foreign Affairs, and ordered  
to be printed

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MR. PRESIDENT, MR. SPEAKER, MEMBERS OF THE CONGRESS OF THE  
UNITED STATES:

The gravity of the situation which confronts the world today  
necessitates my appearance before a joint session of the Congress.

The foreign policy and the national security of this country are  
involved.

One aspect of the present situation, which I wish to present to you  
at this time for your consideration and decision, concerns Greece and  
Turkey.

The United States has received from the Greek Government an  
urgent appeal for financial and economic assistance. Preliminary  
reports from the American Economic Mission now in Greece and  
reports from the American Ambassador in Greece corroborate the  
statement of the Greek Government that assistance is imperative if  
Greece is to survive as a free nation.

I do not believe that the American people and the Congress wish to  
turn a deaf ear to the appeal of the Greek Government.

Greece is not a rich country. Lack of sufficient natural resources  
has always forced the Greek people to work hard to make both ends  
meet. Since 1940, this industrious and peace-loving country has  
suffered invasion, 4 years of cruel enemy occupation, and bitter  
internal strife.

When forces of liberation entered Greece they found that the  
retreating Germans had destroyed virtually all the railways, roads,

port facilities, communications, and merchant marine. More than a thousand villages had been burned. Eighty-five percent of the children were tubercular. Livestock, poultry, and draft animals had almost disappeared. Inflation had wiped out practically all savings.

As a result of these tragic conditions, a militant minority, exploiting human want and misery, was able to create political chaos which, until now, has made economic recovery impossible.

Greece is today without funds to finance the importation of those goods which are essential to bare subsistence. Under these circumstances the people of Greece cannot make progress in solving their problems of reconstruction. Greece is in desperate need of financial and economic assistance to enable it to resume purchases of food, clothing, fuel, and seeds. These are indispensable for the subsistence of its people and are obtainable only from abroad. Greece must have help to import the goods necessary to restore internal order and security so essential for economic and political recovery.

The Greek Government has also asked for the assistance of experienced American administrators, economists, and technicians to insure that the financial and other aid given to Greece shall be used effectively in creating a stable and self-sustaining economy and in improving its public administration.

The very existence of the Greek State is today threatened by the terrorist activities of several thousand armed men, led by Communists, who defy the Government's authority at a number of points, particularly along the northern boundaries. A Commission appointed by the United Nations Security Council is at present investigating disturbed conditions in northern Greece, and alleged border violations along the frontier between Greece on the one hand and Albania, Bulgaria, and Yugoslavia on the other.

Meanwhile, the Greek Government is unable to cope with the situation. The Greek Army is small and poorly equipped. It needs supplies and equipment if it is to restore the authority of the Government throughout Greek territory.

Greece must have assistance if it is to become a self-supporting and self-respecting democracy.

The United States must supply that assistance. We have already extended to Greece certain types of relief and economic aid, but these are inadequate.

There is no other country to which democratic Greece can turn.

No other nation is willing and able to provide the necessary support for a democratic Greek Government.

The British Government, which has been helping Greece, can give no further financial or economic aid after March 31. Great Britain finds itself under the necessity of reducing or liquidating its commitments in several parts of the world, including Greece.

We have considered how the United Nations might assist in this crisis. But the situation is an urgent one requiring immediate action and the United Nations and its related organizations are not in a position to extend help of the kind that is required.

It is important to note that the Greek Government has asked for our aid in utilizing effectively the financial and other assistance we may give to Greece, and in improving its public administration. It is of the utmost importance that we supervise the use of any funds made available to Greece, in such a manner that each dollar spent will count



toward making Greece self-supporting, and will help to build an economy in which a healthy democracy can flourish.

No government is perfect. One of the chief virtues of a democracy, however, is that its defects are always visible and under democratic processes can be pointed out and corrected. The government of Greece is not perfect. Nevertheless it represents 85 percent of the members of the Greek Parliament who were chosen in an election last year. Foreign observers, including 692 Americans, considered this election to be a fair expression of the views of the Greek people.

The Greek Government has been operating in an atmosphere of chaos and extremism. It has made mistakes. The extension of aid by this country does not mean that the United States condones everything that the Greek Government has done or will do. We have condemned in the past, and we condemn now, extremist measures of the right or the left. We have in the past advised tolerance, and we advise tolerance now.

Greece's neighbor, Turkey, also deserves our attention.

The future of Turkey as an independent and economically sound state is clearly no less important to the freedom-loving peoples of the world than the future of Greece. The circumstances in which Turkey finds itself today are considerably different from those of Greece. Turkey has been spared the disasters that have beset Greece; and, during the war, the United States and Great Britain furnished Turkey with material aid. Nevertheless, Turkey now needs our support.

Since the war Turkey has sought financial assistance from Great Britain and the United States for the purpose of effecting that modernization necessary for the maintenance of its national integrity.

That integrity is essential to the preservation of order in the Middle East.

The British Government has informed us that, owing to its own difficulties, it can no longer extend financial or economic aid to Turkey.

As in the case of Greece, if Turkey is to have the assistance it needs, the United States must supply it. We are the only country able to provide that help.

I am fully aware of the broad implications involved if the United States extends assistance to Greece and Turkey, and I shall discuss these implications with you at this time.

One of the primary objectives of the foreign policy of the United States is the creation of conditions in which we and other nations will be able to work out a way of life free from coercion. This was a fundamental issue in the war with Germany and Japan. Our victory was won over countries which sought to impose their will, and their way of life, upon other nations.

To insure the peaceful development of nations, free from coercion, the United States has taken a leading part in establishing the United Nations. The United Nations is designed to make possible lasting freedom and independence for all its members. We shall not realize our objectives, however, unless we are willing to help free peoples to maintain their free institutions and their national integrity against aggressive movements that seek to impose upon them totalitarian regimes. This is no more than a frank recognition that totalitarian regimes imposed on free peoples, by direct or indirect aggression, undermine the foundations of international peace and hence the security of the United States.

The peoples of a number of countries of the world have recently had totalitarian regimes forced upon them against their will. The Government of the United States has made frequent protests against coercion and intimidation, in violation of the Yalta agreement, in Poland, Rumania, and Bulgaria. I must also state that in a number of other countries there have been similar developments.

At the present moment in world history nearly every nation must choose between alternative ways of life. The choice is too often not a free one.

One way of life is based upon the will of the majority, and is distinguished by free institutions, representative government, free elections, guaranties of individual liberty, freedom of speech and religion, and freedom from political oppression.

The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections, and the suppression of personal freedoms.

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

I believe that we must assist free peoples to work out their own destinies in their own way.

I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes.

The world is not static, and the status quo is not sacred. But we cannot allow changes in the status quo in violation of the Charter of the United Nations by such methods as coercion, or by such subterfuges as political infiltration. In helping free and independent nations to maintain their freedom, the United States will be giving effect to the principles of the Charter of the United Nations.

It is necessary only to glance at a map to realize that the survival and integrity of the Greek nation are of grave importance in a much wider situation. If Greece should fall under the control of an armed minority, the effect upon its neighbor Turkey, would be immediate and serious. Confusion and disorder might well spread throughout the entire Middle East.

Moreover, the disappearance of Greece as an independent state would have a profound effect upon those countries in Europe whose peoples are struggling against great difficulties to maintain their freedoms and their independence while they repair the damages of war.

It would be an unspeakable tragedy if these countries, which have struggled so long against overwhelming odds, should lose that victory for which they sacrificed so much. Collapse of free institutions and loss of independence would be disastrous not only for them but for the world. Discouragement and possibly failure would quickly be the lot of neighboring peoples striving to maintain their freedom and independence.

Should we fail to aid Greece and Turkey in this fateful hour, the effect will be far reaching to the West as well as to the East.

We must take immediate and resolute action.

I, therefore, ask the Congress to provide authority for assistance to Greece and Turkey in the amount of \$400,000,000 for the period ending June 30, 1948. In requesting these funds, I have taken into

consideration the maximum amount of relief assistance which would be furnished to Greece out of the \$350,000,000 which I recently requested that the Congress authorize for the prevention of starvation and suffering in countries devastated by the war.

In addition to funds, I ask the Congress to authorize the detail of American civilian and military personnel to Greece and Turkey, at the request of those countries, to assist in the tasks of reconstruction, and for the purpose of supervising the use of such financial and material assistance as may be furnished. I recommend that authority also be provided for the instruction and training of selected Greek and Turkish personnel.

Finally, I ask that the Congress provide authority which will permit the speediest and most effective use, in terms of needed commodities, supplies, and equipment, of such funds as may be authorized.

If further funds, or further authority, should be needed for purposes indicated in this message, I shall not hesitate to bring the situation before the Congress. On this subject the executive and legislative branches of the Government must work together.

This is a serious course upon which we embark.

I would not recommend it except that the alternative is much more serious.

The United States contributed \$341,000,000,000 toward winning World War II. This is an investment in world freedom and world peace.

The assistance that I am recommending for Greece and Turkey amounts to little more than one-tenth of 1 percent of this investment. It is only common sense that we should safeguard this investment and make sure that it was not in vain.

The seeds of totalitarian regimes are nurtured by misery and want. They spread and grow in the evil soil of poverty and strife. They reach their full growth when the hope of a people for a better life has died.

We must keep that hope alive.

The free peoples of the world look to us for support in maintaining their freedoms.

If we falter in our leadership, we may endanger the peace of the world—and we shall surely endanger the welfare of our own Nation.

Great responsibilities have been placed upon us by the swift movement of events.

I am confident that the Congress will face these responsibilities squarely.

HARRY S. TRUMAN.

THE WHITE HOUSE, *March 12, 1947.*



## EXECUTIVE SESSION

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THURSDAY, MARCH 13, 1947

UNITED STATES SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, D.C.*

The committee met at 10:30 a.m., pursuant to call, in the committee room, the Capitol, Senator Arthur H. Vandenberg, chairman, presiding.

Present: Senators Vandenberg (chairman), Capper White, Wiley, Smith, Connally, George, and Thomas of Utah.

Also present: The Honorable Dean Acheson, Under Secretary of State; the Honorable Robert P. Patterson, Secretary of War; the Honorable James Forrestal, Secretary of the Navy; the Honorable Kenneth C. Royall, Under Secretary of War; Gen. Miles Reber, Aide to the Secretary of War; Gen. George A. Lincoln, War Department General Staff; Vice Adm. F. P. Sherman, Deputy Chief of Naval Operations; Mr. Durwood V. Sandifer, Chief, Division of International Organization Affairs, Department of State.

The CHAIRMAN. I thought it was advisable, as swiftly as possible, that the members of the Foreign Relations Committee should have an opportunity to get some additional firsthand information. The situation in Congress is obviously highly volatile.

There is a first fundamental question that I want to ask Secretary Acheson, and then I will turn this over to him and his associates, who have been good enough to come to see us this morning.

### DIVIDING THE PROGRAM IN HALF

This March 31st deadline is the deadliest thing of all so far as procedure is concerned which we confront. Is there any way which is at all feasible that this can be split into two bits, or is it inevitably necessary that the whole program has got to be developed before March 31?

### STATEMENT OF HON. DEAN ACHESON, UNDER SECRETARY OF STATE

Secretary ACHESON. I do not think I quite understand about the two bits.

The CHAIRMAN. I do not either. I am just saying that I am afraid that all of the detailed implications involved in implementing the President's programs are going to create such a division and debate in Congress, particularly in the Senate, that it may be just physically impossible to do business by March 31, and I am frank to say that I am



afraid that may be the situation, particularly in view of the other congestion on the Senate calendar.

Now, is there any feasible plan by which a general commitment could be made in respect, say, to the loan, or some other fundamental phase which indicates the general attitude of the Congress, and give us a little more time on the details? That does not sound rational, but I would just like to have you think out loud on the subject.

Senator WILEY. Do you mean, Mr. Chairman, that possibly what we could do is make a sufficient commitment to take them over 30 or 60 days, and leave the balance for future determination?

The CHAIRMAN. I am not talking about leaving anything for future determination. I am just saying that even if we press continuously, I am afraid we will find ourselves in the middle of the stream on March 31.

Senator WILEY. There is no question about that.

Senator CONNALLY. Has the President got any secret fund he can use temporarily?

Secretary ACHESON. We have no funds that we can use temporarily.

May I say two things that may throw a little light on this, Mr. Chairman?

#### ONE HUNDRED MILLION DOLLARS FROM RECONSTRUCTION FINANCE CORPORATION

In the legislation which we have been going over with the legislative counsel of the House—and we are going over it with the legislative counsel of the Senate also—we have included this operation: The total amount which is authorized for appropriation is \$400 million. We understand, of course, that this is only an authorization bill. It would have to be followed by an appropriation. It is perfectly clear that no matter how fast everyone works, you could not possibly do that by March 31, so we have a provision in here authorizing the Reconstruction Finance Corporation to advance \$100 million on account of this appropriation, that advance to be reimbursed out of the appropriation when made. That has the effect, on the passage of this bill, of allowing some funds to be available for a couple of months—2, 3, or 4 months' operation. Then the appropriation committees, which will want to go into this thing very much more thoroughly, have much more time to do it.

#### MORE TIME NEEDED

There is another factor which eases the situation in one way and makes it more difficult in another. When we got this note from the British saying that they could not continue after March 31, we told them that we thought that was making it unnecessarily difficult. It did not give us time to go into this thing thoroughly, and we asked them to reconsider and see whether they could not do something after that date.

The degree of their reconsideration so far is that they can make available, they say, \$8 million a month for 2 or 3 months, but they want that on a reimbursable basis. That, we say, has raised a problem for us, and we have not agreed to that. There may be some possibility

of the British going in in Greece with \$8 million a month for a couple of months, which would go in some direction toward taking care of the Army problem in Greece. It would not make any contribution to the civil question.

Senator SMITH. Will they leave their troops in Greece?

Secretary ACHESON. In Greece the British have two types of troops. They have an amount which General Lincoln can tell you more accurately than I can, but I think it is a brigade of troops who are in Greece and who will remain in Greece until 90 days after the ratification of the Bulgarian Treaty. The British announced that some months ago, and have reaffirmed it recently.

#### SIGNIFICANCE OF THE BULGARIAN TREATY

The significance of the 90 days after the ratification of the Bulgarian Treaty is this, that in that treaty it is provided that 90 days after its ratification the Russian forces will move out of Bulgaria. The British have said that when the Russians move out of Bulgaria, they will withdraw their troops from Greece. That is the situation which is quite apart from this financial problem here.

Senator WILEY. There is nothing definite on that subject, then? You do not know when the Russians are going out, so you do not know when the British brigade is going out. If the brigade stays there, what are our requirements?

Secretary ACHESON. We have no requirements for that brigade. They take care of that themselves. We are not supporting that.

#### RUSSIAN TROOPS IN AUSTRIA?

The CHAIRMAN. Before you leave that, do not the Russians still maintain troops to support their so-called line of communications to Austria?

Secretary ACHESON. I believe it is in Rumania.

The CHAIRMAN. It is also in Hungary. Is it not in Bulgaria also?

Secretary PATTERSON. It does not run through Bulgaria.

Senator SMITH. Do you want us to ask questions that occur to us now?

The CHAIRMAN. Yes. I think so. Let us be quite informal about it so as to get all the information we can.

#### WHY THE BRITISH REQUEST NOW?

Senator SMITH. The British must have seen this thing coming on. What I am troubled by is, why should it break just at this moment, just as Secretary Marshall is going to Moscow for these critical conversations with the Russians? Have we any explanation for that?

Secretary ACHESON. We have all seen that the British were going to have economic and financial trouble supporting their commitments which they have in the Middle East and in the Far East. For a long time now, a matter of 4 or 5 months, we have known, and been informed by the British, that there was a debate going on between the British Foreign Office and the British Treasury, the British Foreign Office insisting that they should stretch all their resources to maintain this situation in Greece, and the British Treasury saying that that was impossible for them to do.

That debate continued until they got into this coal crisis in England, at which point the British Treasury won, and it was than apparent to everyone in the British Government that they could not support any more financial strain of this sort. They informed us on the 24th of February that after the end of this fiscal year they could not continue financial and economic support in Greece and Turkey. That was on a Monday morning. The following day it was leaked out of London and appeared in the newspapers. You know the story from then on.

#### A LEAK FROM LONDON

Senator THOMAS of Utah. Was the leak in London first?

Secretary ACHESON. Yes. It was a leak, I think, directly out of the British Foreign Office.

The CHAIRMAN. You are familiar with the story that is in general circulation, that Mr. Bevin gave Mr. Byrnes full notification of this hazard as long ago as Paris? Would you know anything about that?

Secretary ACHESON. No. I should think that was probably inaccurate. Mr. Byrnes and Mr. Bevin, as you know, discussed most of the problem, and it was no secret to anyone that the British were in trouble in this area. I think when they were in New York, when you were there, they discussed this withdrawal of the British troops, and it was then decided that they would be withdrawn on the same day that the Russians withdrew from Bulgaria.

#### CONGRESSIONAL ACTION

The CHAIRMAN. Can I get back to the basic question, and then we will go to something else: Is this whole problem so integrated that it must be handled in one congressional action, in your opinion?

Secretary ACHESON. It would have to be, as we pointed out a moment ago, in two, because you have an authorization and an appropriation. I do not know of any way of taking a small part of it, Senator.

The CHAIRMAN. You could not start with a general authorization and leave the implementation to accompany the appropriation?

Secretary ACHESON. That is what we have here, sir. We have a general authorization in this bill.

#### THE AUTHORIZATION BILL

The CHAIRMAN. But in this first authorization bill do you also include all the detail about military observers and so forth and so on?

Secretary ACHESON. Yes. There is the authority here in this act to do the three things that are necessary. One is to make the funds available; the other is to detail civilian personnel; the other is to detail military personnel.

Senator SMITH. Does "military personnel" mean anything except aides to setting up the program? It does not mean that we are sending any troops and so on?

Secretary ACHESON. No.

The fourth provision of law we have to have is authority to transfer articles, supplies, and materials, both civil and military.

Senator THOMAS of Utah. Mr. Chairman, may I ask, do you need congressional authority to carry out the arrangements with the RFC?

Secretary ACHESON. I think we do.



Senator THOMAS of Utah. I was wondering if you could not divide on that score. We could probably put through a rather quick resolution allowing the RFC to go ahead, if that is what is necessary, so that you then debate your other thing later. Then, of course, you are in a worse ditch than you are in now. I understand that. But at the same time, the time is so important.

Senator CONNALLY. Will that not, though provoke the debate on the whole thing? I do not look with favor on that. I may change my mind. It looks to me that we ought to do it all at once.

#### MARCH 31 DEADLINE

The CHAIRMAN. I would rather, too, but I know perfectly well we are going to be in the middle of the river on March 31. At least I very much fear so, with no conclusive indication on any phase of the matter, and I think we ought to at least explore the possibility of getting some sort of general commitment. The Senator from Texas may be entirely right. Perhaps you will have a total debate on any phase of it.

Senator CONNALLY. If you bring in anything, it is going to raise the debate all along the line with these folks who are not for it. Do you not think so, Senator Smith?

Senator SMITH. I think so.

Senator CONNALLY. That is my view. I do not try to press my views on other people—not now.

The CHAIRMAN. Then you had better figure out what you are going to do on March 31 if you do not have this legislation, because that is less than 20 days away, on the most fundamental thing that has been presented to Congress in my time. I do not know whether you can get action or not.

#### HOUSE ACTION ON THE BILL

Senator CONNALLY. You can get quick action in the House if the leaders over there are for us, because they can bring in a rule and that sort of business and ram it through. Our difficulty, if we have any, will be in the Senate, if the leaders over there want it. I do not know whether they do or not. This morning's paper is very cautious all along the line.

The CHAIRMAN. That is the chief reason I have suggested, myself, that the legislation ought to start in the House. We can get the impetus of action. That is the only place they can order action if they want to. We can't. Perhaps it would help us. Still I am very much afraid of March 31, and I want to know what you are going to do on March 31 if you do not have your legislation.

Senator CONNALLY. We just will not do anything at all.

Secretary ACHESON. I think we would just be in trouble, but it is the kind of trouble we have been in before. We will just have to face it.

#### AUTHORIZATION BILL

Secretary FORRESTAL. In reality, Mr. Chairman, I think what Mr. Acheson is saying is part way toward our objective; that is, a broad covering authorization, and the specific detailed implementation of that to follow as the necessities arise. We would not be moving in with this entire global amount.

Secretary ACHESON. No. The whole purpose of this was to make a small part of it available quickly, because we felt sure that the Appropriations Committee will want to go in great detail into exactly what material is needed, how it is going to be supplied, the extent of American control on the spot, and all matters of that sort, and that would take some time. Therefore this bill makes a quarter of the amount available on the passage of this act, through the RFC.

The CHAIRMAN. In other words, your present program is an attempt, in advance, to meet the specifications that I have been describing?

Secretary ACHESON. That is right.

The CHAIRMAN. Perhaps it is the only thing you can do on that aspect.

Senator CONNALLY. Mr. Secretary, I favor your giving them something as quickly as we can, but your idea of giving a general authorization and the details later will meet these objections in both Houses: "Well, we want to know about them. What are they going to do with this? Why don't they tell us? What is the President holding back on us for? What are the details?" You are going to face all of that. That is why I say, from my point of view we might as well do it all at once if we can. The resolution can contain the temporary action with the RFC, but I know what they are going to say. I have heard them say it already. They are demanding to know the details. "We want to know. What is this general authorization? I won't sign any general authorization. I want to know what they are going to do with this money. How many troops are we going to send? What are we going to do?"

If none of you has heard those things, you can hear them when this thing starts.

#### A "BLANK CHECK"

Senator SMITH. Everybody who has talked to me about this has said, "We are just going to give a blank check without knowing what the check is for."

The CHAIRMAN. I think you are quite right about that.

Mr. Secretary, may I turn the discussion to paragraph (c) on the first page of your proposed bill, which reads as follows—

Senator CONNALLY. Before you do that, just one question: Has the Import-Export Bank any money that they could make available for this, temporarily?

Secretary ACHESON. Yes, they have about \$300 million which is unexpended, and the Export-Import Bank believes that they cannot, under their statute, make the money available, which, of course, would be a question of getting an authorization from Congress for them or for the RFC to do it.

I am told also that recent legislation has made it impossible for the RFC to do this without specific authorization.

#### EXPORT-IMPORT BANK

Senator CONNALLY. Why does the Export-Import Bank say it does not have authority? Because it cannot loan to governments?

Secretary ACHESON. Under the provisions of their law the loans which they make are limited in such a way that this would not fall within it.

Senator GEORGE. They must have some reasonable prospect of repayment. That is the main trouble, is it not?

Secretary ACHESON. That is one.

Senator CONNALLY. That is enough.

Senator GEORGE. There is no use in going into any of the others. That is enough right there.

#### WORLD BANK

The CHAIRMAN. Then, before we change the subject, Mr. Secretary, will you state for the record at what point the World Bank can take up these responsibilities?

Secretary ACHESON. The World Bank, Mr. Chairman, can go a long way in dealing at the earliest moment with the Turkish problem, or with certain parts of the Turkish problem. Turkey yesterday applied for membership in the World Bank. Turkey is a perfectly good economic risk, provided that there is peace in that part of the world. That has to be assumed, because if you do not make funds available on the theory that there is going to be war, then you greatly increase the chances of there being war.

Senator WILEY. What does she want the funds for, if there is going to be peace?

Secretary ACHESON. Turkey needs the funds for two purposes. Shall I go into Turkey now, Senator?

The CHAIRMAN. Is that the end of the answer as to when the World Bank will be ready to take over the situation?

Senator WILEY, will you wait just a minute? I would like to know definitely about the World Bank, because that answer has to be made to the public. They want to know. That is the frightened alternative that everybody is talking about. What is the answer as to why you cannot go to the World Bank now, and when the World Bank can begin to function?

Secretary ACHESON. In regard to Turkey, the World Bank can begin to function almost immediately in regard to the economic needs of Turkey, or some of the economic needs. In regard to the military needs of Turkey, the World Bank cannot function because under its charter it is not permitted to make loans for military purposes.

In regard to Greece, the World Bank could not operate at the present time because the Greek situation is one of total financial collapse. The sort of loan which the World Bank would make for projects, developmental projects or reconstruction projects, would not meet the Greek situation. The Greek problem arises from the fact that they do not have, at the present moment, the total foreign exchange resources they require. The total foreign exchange resources of Greece are one-half enough for their needs within the next 3 months. That gives you an indication of the state of financial collapse in Greece. That sort of loan cannot be made by the World Bank, and the World Bank would be pretty foolish to make it.

Senator CONNALLY. We have no assurance that the World Bank would do it, have we?

Secretary **ACHESON**. We have every assurance that it could not.

Senator **CONNALLY**. Even if it could, there are a lot of other nations concerned in the World Bank, and we do not control it. They might buck and say, "No, we don't want to do that. We are starting on the wrong course." Is that not true?

Secretary **ACHESON**. I think the World Bank would not make a loan to Greece at the present time. It would be ill-advised to do it.

The **CHAIRMAN**. The mere denial that they can do it, if I may be allowed to say so, does not satisfy my inquiry at that point. I do not think it satisfies the public inquiry. Furthermore, the fact that a number of nations have to participate is the reason why I would be interested in having the World Bank do it if there is any way to have them do it, and what I want to know is this: whether or not, after we have laid the preliminary foundation to shore up the Greek situation and when our commercial advisers have developed legitimate projects, at that point we cannot expect the World Bank to take this over totally.

Secretary **ACHESON**. Yes, sir; you can expect the World Bank at that point, when you have established a sound foundation for a loan, to take over the matter of financing the development and reconstruction which will really be the basic Greek problem from then on.

Senator **WILEY**. The past expenditure, or future?

Secretary **ACHESON**. Not past expenditures, no. That would saddle Greece with a burden of debt which they could not ever meet.

The **CHAIRMAN**. There is no point in the President's message where he defined the character of the money that he is proposing to advance. It is never identified as a loan; it is never identified as a gift. Pro forma, is it at least to be a loan, or what?

#### LOAN REPAYMENT DOUBTFUL

Secretary **ACHESON**. I should say, Senator, that all the money which is advanced for productive purposes can be put in the form of a loan. Whether that loan will be paid or not is a doubtful matter.

All the money—and this will be the greater part of it—which is used for military purposes or for current consumption should not be put in the form of a loan, because you will then make it almost impossible for the World Bank to come along at a later stage and make a sound loan to Greece.

Senator **CONNALLY**. They would not make it. I thought you said they would not make it for military purposes anyway.

Secretary **ACHESON**. That is quite right, sir. But what I was saying is, if we advance all the funds that we are talking about advancing in this bill to Greece in the form of a loan, Greece will start out with a debt of \$254 million, which will make future loans by the World Bank impossible, because Greece will be loaded up with such a preexisting debt that it will never be able to service or pay later loans.

#### REPARATIONS FOR GREECE

The **CHAIRMAN**. How much in reparations does Greece get out of the pending treaties?

Secretary **ACHESON**. I do not remember the figure, Senator Vandenberg. It is a substantial amount.



Senator WILEY. \$125 million, I think.

The CHAIRMAN. Do you know, Dr. Wilcox?

Dr. WILCOX. I will check it up.

Senator CONNALLY. Maybe your objections are valid, but it seems to me that if we could make it in the form of a loan it would be better, because otherwise, if we set a precedent of digging it out and giving it to them, we will be bedeviled by a whole lot of countries wanting us to give. Even if they do not pay it, it will be a loan.

#### WORLD BANK

Secretary ACHESON. You will have to balance that situation against the one that you may make it impossible to shift this burden to the World Bank by having an unsound financial structure in Greece.

Senator CONNALLY. The World Bank will never make the loan in any event, I think.

The CHAIRMAN. The World Bank has \$8 or \$9 billion for some purpose, and the general characteristic of the World Bank is to meet emergencies, among other things, and there ought to be some point where the World Bank is highly eligible to step into a situation of this sort, it seems to me.

Secretary ACHESON. Senator, you will recall that the World Bank does not have money of its own. It gets its money only by selling it to investors, and if they should go into a series of loans like this Greek one, taking over what we are now proposing to do, I am afraid they would not be able to sell many bonds.

Senator WILEY. They do not have their billions yet, do they?

Senator CONNALLY. This is a controversial matter, too. The World Bank is not going to be too keen to wade into it.

The CHAIRMAN. Senator Wiley, what was your question?

#### THE PROBLEM IN TURKEY

Secretary ACHESON. Senator Wiley's question was, What are the economic financial needs of Turkey? Why is Turkey in this picture at all?

I think the answer to that is that Turkey has been kept wholly mobilized since the beginning of the European war. Their forces are as completely mobilized today as they were at any time during the war, and this is part of a war of nerves which has been going on in that area. That has put a very great strain on the Turkish economy. The Turkish Army is one which is very high in manpower and very low in equipment. Therefore, a great many more men are withdrawn from productive work in Turkey than would be the case, possibly, if their army were organized differently.

The problem, therefore, is how to help Turkey so that the strain of this mobilization does not produce the bankruptcy which has overtaken Greece. That can be done by furnishing some military equipment and by doing more, perhaps, in the way of helping the Turks to produce their own consumable military equipment. If their arsenals and other producing units are aided so that they do not have to spend their foreign resources buying equipment abroad, then the drain of remaining mobilized on the Turkish economy is one which they can bear.

They also need funds for economic development in the country. Some of those immediately might be furnished out of funds made available here in the form of a loan; others, the great bulk of that, ought to come from the World Bank.

#### TURKEY AND WORLD BANK

The CHAIRMAN. The fact that Turkey applied yesterday for membership in the World Bank would indicate that there seems to be some prospect in that direction.

Secretary ACHESON. Yes, sir. Turkey applied for membership in the World Bank a year ago last April, and that was referred, along with the applications of three other countries, to the Governors. The Governors last November voted to extend an invitation to membership to all four of those countries. Turkey is the first one which has completed legislative action and taken the necessary steps to become a member. Its formal application went in yesterday.

#### U.S. MILITARY ADVISERS

The CHAIRMAN. May I come now to this subsection (c), which, it seems to me, is going to raise the most serious question of all? These are the things that can be done under this bill:

Detail any officers and enlisted men of the armed forces of the United States to assist in an advisory capacity the governments of those countries, and the provisions of the Act of May 19, 1926, as amended, applicable to officers and enlisted men detailed pursuant to said Act as amended shall be applicable to any officers and enlisted men detailed pursuant to this subsection.

First let me ask what that provision of the act of May 19, 1926, means in this connection.

Secretary ACHESON. That is a bill which permitted the detailing of officers of the Army, Navy, and Marine Corps to act as advisers to South American and Central American Governments. During the war the authority to do that was extended to all countries on an emergency basis. That authority expired by some recent action, I believe, in declaring hostilities at an end, or something of that sort.

In the last Congress there was a bill called the military missions bill which I believe passed the House but was not acted upon by the Senate before the end of the Congress, which extended that authority to all other parts of the world. If that bill were law at the present time, this section would not be necessary. It has been reintroduced, and is pending before both Houses of Congress at the present time. This is a provision to step up the terms of that bill so far as Greece and Turkey are concerned.

#### A "BLANK CHECK" CLOSE TO AN ACT OF WAR

The CHAIRMAN. The "detailing of officers and enlisted men of the Armed Forces of the United States" seems pretty close to a blank check that comes pretty close to a potential act of war; does it not?

Secretary ACHESON. I do not think so, Senator. As I say, this is legislation that we have had for over 20 years, now, in regard to the other American Republics. We have military and naval missions in most of the countries of South America. We have had one in Iran; there is

one in China. I think the one in Iran is now coming to an end, as I recall it.

Senator SMITH. Their business is to instruct in the arts of war. Is that the purpose of the mission?

Secretary ACHESON. Yes; and they are officers who are detailed to the government which requests it. They retain their rank, privileges and pay in the U.S. Army, Navy, or Marine Corps. They may be paid up to some amount provided in the act by the government which borrows them. They act in an advisory capacity, as instructors.

#### RUSSIA WILL TAKE OFFENSE

Senator SMITH. Mr. Chairman, I would like to ask another question in that connection. Could our taking this action be construed as an unfriendly act in the light of the implied references to Russia, for example, in the President's message of yesterday? Russia will probably take offense, as they did to your statement recently.

#### MILITARY MISSION IN IRAN

Secretary ACHESON. I do not think so. We have done this for the last 3 or 4 years in Iran. General Ridley has been in Iran with a mission which has been instructing and helping to train the Iranian Army. It was done at the request of Iran, and he has been over there doing it.

The CHAIRMAN. How large a mission?

Secretary PATTERSON. I cannot say. Do you know, General Lincoln?

General LINCOLN. It would not be over 40 officers and men, I would guess. Not very many. That is an off-the-cuff guess.

The CHAIRMAN. Your contemplation here is on a vastly larger scale, is it not?

#### AN ENLARGED MILITARY ATTACHÉ STAFF IN ATHENS

Secretary PATTERSON. The War Department would not be in favor of doing that. We would prefer to handle it through an enlargement of our military attaché people around the U.S. Ministry in Athens.

The CHAIRMAN. That is a totally different concept, and a much safer one, and it would be much happier from an American point of view, I suspect.

Secretary PATTERSON. We think it would be less provocative. I might say that the British have a military mission there. That was the second force that Dean Acheson spoke of, the first being the British brigade, the other being quite a large military mission—200 officers and 900 soldiers, or something like that—which is quite closely tied into the Greek Army, liaison people at the different headquarters.

If the British could maintain that mission there somewhat longer, it would be a very good thing altogether.

The CHAIRMAN. What were you about to comment?

#### "DETAILING OFFICERS AND MEN" PROVOCATIVE

Secretary FORRESTAL. I was going to say, Mr. Chairman, would it not carry your thought if you had the word "mission" rather than

“detailing officers and men”? That does sound as if you had the right to send a division.

The CHAIRMAN. It seems to me that this language is quite provocative, and I am very sure you will confront a very severe challenge with respect to this particular language, and that this will be the heart and core of the opposition.

Senator SMITH. Especially, Mr. Chairman, in the context in connection with this whole issue. It seems to me it is very dangerous language.

Senator THOMAS of Utah. We know that, Mr. Chairman. Last year we got out on the floor of the Senate a China military mission bill. It was stopped every time we tried to bring it out. The general bill was stopped right here in this committee, as you remember.

#### RUSSIAN PROTEST AGAINST BRITISH

Senator CONNALLY. Mr. Secretary, do you know whether or not the Russians have been protesting against the British activities there? It seems to me that if the British were able to do these things we could do them too.

Secretary ACHESON. There have been no formal protests. Of course, Pravda and the Russian newspapers keep up a running attack on the British activities in Greece and the activities of the British Ministry in Greece.

The CHAIRMAN. The difference is that this is a century-old practice of the British, and here we are staking out a substantially new American policy.

Secretary ACHESON. As the Secretary of War said, Senator Vandenberg, if the British will maintain their training mission in Greece, that will be all to the good, and we should be in favor of that and we will try to urge the British to do it. Even if they do that, you will need some American military people in an advisory capacity there. They will have to acquire equipment of various sorts from the United States; you will have to have liaison officers there to find out what is needed, to get it out, to describe it, and train them in how to use it when it gets there. If the British do not maintain their training mission, then it will seem clear that we have to do it if we are going to help the Greek Army get itself in shape so it can handle the internal threats against the authority of the Government.

#### CHANGE OF LANGUAGE URGED

The CHAIRMAN. Entirely aside from the question of whether the British maintain their mission or not, I prayerfully suggest to you that the language in subsection (c), if possible, ought to be rewritten in far more restrictive terms. I know what the impact on me is when I read, “by detailing any officers and enlisted men of the armed forces.” Right off the bat the impact just scares me to death, although I know what the limitations are.

Now the effect, I am afraid, on the American people, particularly those who are critical of this whole enterprise, is going to be pretty severe at that point.



Secretary ACHESON. I think you can change it around and say, "The provisions of the act of May 19, 1926, as amended, are hereby extended and made applicable to Greece and Turkey."

The CHAIRMAN. That certainly is a totally different statement of the situation. I think, frankly, that this is very dangerous language from the psychological point of view.

#### WORKING THROUGH THE U.N.

Senator SMITH. Mr. Chairman, can I ask you a question at this point? I am aware that the United Nations is not set up in any way to deal with this practically, but would we not be in a much stronger position if we put the heat on the United Nations and tried to work through that channel as a United Nations problem, rather than to take it unilaterally as a United States problem vis-a-vis Russia?

The CHAIRMAN. That raises the question to which I referred in my statement last night. It seems to me another necessity from a psychological standpoint is to keep ourselves as far as is humanly possible within the physical boundaries of the United Nations organization itself.

Senator SMITH. That is just my point.

The CHAIRMAN. It is perfectly obvious that at the moment (1) it has no funds for relief, and if it did have they would be our funds and we would be in the same fix that we are in in connection with UNRRA; (2) they have no military force, because the fact is that the Soviet Government has declined to let the Military Committee make even a report and a recommendation. Is that not true?

Secretary ACHESON. Yes, sir; that is true.

The CHAIRMAN. And why should we not, as part of this plan, as an indication, a practical, identified indication of our anxiety, get this sort of problem back into the United Nations as soon as possible, and instruct our representative on the Security Council immediately to make a public move in the Security Council urging the speediest possible report upon this subject. Is that not good psychology?

Secretary ACHESON. An earliest possible report by the mission which is over there now?

The CHAIRMAN. No, by the Military Committee of the United Nations.

Secretary ACHESON. Oh, yes.

The CHAIRMAN. Which has this thing in its pigeonhole. The chief reason the United Nations is impotent in the long-range view of handling a problem of this nature is that it still has only one leg. It hasn't any implementation for chapter VIII, and the reason it has none is because the Russians have not let it have—and we have never said anything about it. We have never made any public protest on the subject. Why would it not underline and underscore our anxiety to get as many of these problems into the United Nations as possible if we would now move in the Security Council to urge the speediest possible completion of agreements for submission to member nations?

Secretary ACHESON. I think that can be done. You know, Senator, that is one of the paragraphs of the General Assembly resolution that was passed at the last meeting, urging the Security Council to get after the military staff committee to get those agreements worked out on the furnishing of troops.

The CHAIRMAN. Why can we not have our delegate very promptly call the attention of the Security Council to that paragraph in the resolution of the General Assembly and, if possible, make it plain what has happened, and urge action? Would that not be helpful?

Secretary ACHESON. Yes, I think it would, and I think that can be done and will be done. It will not deal with the problem that we have here.

The CHAIRMAN. I quite understand. I am just talking about the necessity.

Senator GEORGE. Do you think it would get any assent from Russia?

The CHAIRMAN. No; that is not the point.

Senator SMITH. It would put Russia on the spot to reject it.

#### USING IDEOLOGICAL RESOURCES

The CHAIRMAN. If we are engaged now in an ideological contest with the Russians, I think we have to use all of our available ideological resources, too, and I do not think we do. Here is one of them.

I judge from my preliminary letters and telegrams on this subject that the one overriding question in the country is, Why is it that the United Nations cannot take this thing over? You read these congressional comments, some of them: "This means the United Nations is dead." Can't we underscore and symbolize the reason why, and do it in an affirmative way?

Senator CONNALLY. I want to make this suggestion: It is all right to punch up the Security Council about the Joint Staff Committee and getting these troops, but that is not going to affect this situation. It will take a long time. It has to be ratified by every nation before these agreements are valid. I do not object to that.

(Discussion was continued off the record.)

#### UNITED STATES "PINCH-HITS" FOR THE U.N.

Senator SMITH. Might I ask the Senator a question in that connection? Would we not be stronger if we put the responsibility right up to the United Nations and said in doing so, "We realize they are not in a position to act"? We can say, "We will pinch-hit in the meantime, but in doing so we realize it is United Nations property."

I feel there is great danger of the world being allied in two camps, Russia on one side with her satellites, and the United States and her allies on the other.

We can have our representative on the Council bring that matter up. Russia will object, of course. Russia has turned the thing down, and we are acting because the emergency is there, and the United Nations is not prepared to act. We are not taking the initiative to challenge Russia.

Senator CONNALLY. Outside of providing the force, I do not know of any authority of the United Nations to step in here. There has to be a threat to the peace of the world before it acts.

Senator SMITH. Every dismembered economy is a potential threat, and we know that this area is the greatest potential danger in the world today.

## UNITED STATES ON THE LINE AGAINST "CERTAIN IDEOLOGIES"

Senator GEORGE. I do not see how you are ever going to get anywhere through the United Nations. I do not see how the President's speech of yesterday can be characterized as a mere plea for assistance to Greece and Turkey. If it were mere economic assistance it would be one thing, and it would be easily done. But he put this nation squarely on the line against certain ideologies.

## WORKING THROUGH THE U.N.

Now, we might as well face it, and once you got into the United Nations there would be more than one nation there fighting us on that issue. Russia would have friends. She undoubtedly would have backing on that issue. I do not see that there is anything to it except just to face this issue straight, and that is what the President's address did. It clearly put us on the line. Call it communism, totalitarianism, or whatever you want to call it, it is there. If we are going to stand on that line, so far as this issue is concerned I think your United Nations is simply short circuited and out.

The CHAIRMAN. I seem to have totally failed to make my suggestion understood, and I am sure it is my fault.

Senator GEORGE. I understand you think you ought to urge them to act.

## PROBLEM OF AMERICAN PEOPLE UNDERSTANDING

The CHAIRMAN. I am talking about the fact that one of the major problems we confront is an adequate understanding by the American people as to what this situation is, and an adequate understanding by the American people as to why the United Nations, exactly as you say, is important in this situation, and I want to dramatize that and make it so plain that nobody can misunderstand it, by raising this issue in respect to military forces in the Security Council. Then the country will understand that the United Nations does not have any power that it could use in this situation. I am not directing my suggestion to any thought that we are going to get any aid out of the United Nations.

Senator SMITH. I was not either.

The CHAIRMAN. I am directing it to the idea that the American people have to have a pretty firm understanding as to what the difficulties are, and I think this is the way to dramatize it.

Senator GEORGE. I thought you wanted to put some heat on Russia, too.

The CHAIRMAN. No. I want to lay everything on the table, Senator, so that the American people will understand it. I do not think they understand it this morning much better than they did before the President delivered his message, and I think one of our major jobs is to make them understand it, and I do not believe they ever will unless we dramatize this thing in every possible way.

I give it to you purely as a personal opinion. I have great respect for my colleagues who disagree, but that is what I think.

Senator GEORGE. I could not raise any objection to what you say, Mr. Chairman. I am not doing that. But if you had the United Nations functioning today, with this issue drawn, you could not act through it.

The CHAIRMAN. I totally agree.



Senator GEORGE. Absolutely. And there is no use to kid ourselves to think we can.

The CHAIRMAN. No. And why kid the American people by leaving them in possession of a notion which is false?

Senator GEORGE. I agree with that.

The CHAIRMAN. This is typical of the message coming in by the thousands. It is from the District of Columbia Branch of the Women's International League for Peace and Freedom:

The only way we can uphold the charter of the United Nations is to put the matter of Greece and Turkey into its hands, making this an international undertaking, not a unilateral, which would undercut the United Nations.

Now, all I am saying is that I do not think it is enough for us to just reply, "No, this isn't feasible." I think it is necessary for us to dramatically demonstrate to these thousands of people who have this point of view why it cannot be done.

#### WORKING THROUGH THE U.N.

Senator CONNALLY. Then can that not be revealed in debate? You said, "Why kid the American people?" Well, why kid them by trying to make it appear that the United Nations can do it when we know it cannot? We know it cannot. Why not be frank with them?

Senator SMITH. But it is part of the evolution of international cooperation. I think the chairman is correct in suggesting that our representative on the Council should at least make the statement on this matter.

Senator CONNALLY. I do not object to that. Nobody objects to that. Let him demand that this Military Committee go on and provide this international force. That is all right. That is for general purposes.

But we weaken our attitude here by intimating, "Well, we are doing it, but we think the United Nations ought to do it," when we know it cannot do it.

#### IMPOTENCE OF THE UNITED NATIONS

Secretary FORRESTAL. What the chairman, it seems to me as an outsider, is trying to do is to demonstrate and make manifest unmistakably the present impotence of the United Nations to deal with this problem.

The CHAIRMAN. And we cannot just say it. The people will not believe us. I think I demonstrate it by the procedure I have suggested.

Secretary PATTERSON. Is it not a fact that Yugoslavia and Bulgaria and Albania have been waging undeclared war against Greece for the last 6 months, and is that not what, at San Francisco at any rate, 2 years ago, the people were hoping the United Nations, if it made swift progress, would have had a force in hand to handle that kind of situation? But they have not done it. Their progress has been blocked by Russian objections on the Military Staff Committee. And that is the reason why we are in the predicament we are in.

Senator CONNALLY. Russia has vetoed every effort, privately, to get the Military Staff Committee to do anything. They have just sat there at the meetings and done nothing.

I do not object to your suggestion at all.

Secretary PATTERSON. To put the fault right where it lies.

The CHAIRMAN. Exactly, Mr. Secretary. All in the world I am saying is that we can tell the people that Russia has blocked all efforts

to complete the implementation of the charter of the United Nations, but it is a difficult thing for us to speak about too frankly and it is far better to let Russia say it for herself right out in the open, and within the next 2 weeks.

Secretary PATTERSON. You people at San Francisco, if you had foreseen this kind of contingency coming up, would have provided a place in the charter where this kind of program could be carried out.

The CHAIRMAN. I do not think there was the remotest anticipation that we would linger for 2 or 3 or 4 years with only half of the equipment on which we presumed and pretend to be able to rely.

#### PERCEPTION OF THE COMMON PEOPLE

Senator WILEY. Mr. Chairman, first I believe that the common people intuitively sense possibly two angles to this picture. First, they cut across all of what you might call the rot and misunderstanding and they say, "Well, Russia is interfering directly or indirectly with Greece and with Turkey, and these two countries are fearful that they will be taken over." So they say, "That is a problem for the United Nations," and they know that there has been this warfare going on in the north of Greece. They reach that conclusion.

Second, having reached it, they say, "Why doesn't the United Nations go ahead and handle it?" And they have not got a satisfactory answer yet.

The answer here is that the United Nations, first, has not the machinery in shape; they have not the police force. Then there is the second angle to this. The people of America are mighty concerned about whether this is the opening wedge to our taking over the job that Britain has done so well in the last 150 years throughout the globe. They are concerned, first, as to our ability, and next, as to what it will do to our economy if we charge our own economy with that tremendous load.

I believe that we have got to credit our people with either an intuitive sense or a feeling that, as Lincoln said, "God must have loved the common people; he made so many of them." There is a lot more wisdom in them, sometimes, than in the folks who live day in and day out with these problems.

Now then, what is the out? I think the out, as the chairman suggests, is that you have to lay these cards right on the table. You have to let the people see the whole picture, and you have to call a spade a spade, and say that this whole thing is to stop the impact of Russia at this particular point, and it is no commitment for any other point. If they think it is a commitment to go all over the world wherever we are—we are there. We are in Korea, fighting the Russians, practically, and at other places we are having the same trouble.

#### IMPLICATIONS THROUGH THE WORLD

Senator SMITH. You have Communistic infiltration in South America. Are we going to be called on to finance resistance to communism in other countries like that, Mr. Secretary? I am not opposed to your proposals. I think we must go through with them. I want to see what the implications are throughout the world.

Secretary ACHESON. If there are situations where we can do something effective, then I think we must certainly do it.

## GREEK FUNDS BLOCKED IN LONDON

The CHAIRMAN. Mr. Secretary, will you give me the answer to this: This is another story which is being generally used. This is from the American Newspaper Alliance, which is a rather reliable outfit:

While Britain is pleading for United States aid to Greece, more than \$220,000,000 in Greek Government funds and accumulated private credits remain blocked in London banks; the total, amounting to 55,000,000 pounds sterling, was frozen by the British Government during the war. Technically the money was unfrozen in March, 1946, but the agreement was so hedged with restrictions that the Greeks can not use the funds outside the British Empire sterling area. Greek Embassy officials in Washington say that if they had this money, they would spend hundreds of thousands of dollars for food, consumption goods, and industrial machinery in the United States.

I think we have to know the facts about that. Have you any facts on the subject?

Secretary ACHESON. I think what they are talking about in that story is the whole question of the convertibility of the pound. The Greek funds are not blocked in the sense that they cannot be used. They can be used, and they are being used, and the British have used a very large amount of their own funds. Yesterday the British Government told the Greek Government that all the food which Great Britain had supplied in the pre-UNRRA period was going to be charged off. There would be no debt created. That goes in the neighborhood of  $3\frac{1}{2}$  to 4 million pounds. That is a gift from the British to the Greeks.

What this story is referring to is the situation which exists throughout the whole sterling area, that sterling is not convertible into dollars. Under the agreement which we made with the British, it is convertible 1 year from the date of the passage of the Act of Congress unless that time is extended.

Senator GEORGE. That will be some time in July. It is a question of whether they can make it convertible.

Secretary ACHESON. It is a question of whether they can.

Senator GEORGE. I think, and still think, I was originally right. We did not make Great Britain a large enough loan to do the job. I have emphasized it over and over again, but could not get anybody to agree with me.

The CHAIRMAN. Is there no way that we can make an agreement with Great Britain with respect to restricted Greek funds in their jurisdiction?

Secretary ACHESON. There is no way in which you can make an agreement that Greek balances are going to be convertible when other balances are not made convertible.

Senator GEORGE. The only way we could do that would be to unfreeze them ourselves, by unilateral action on our part. We could probably arrange it, but we would have to put up the money.

Secretary ACHESON. We could accept the sterling and give the Greeks dollars.

The CHAIRMAN. I would like to have that for collateral, rather than none. Is there any way to work an arrangement out in that connection? I think you face a difficult challenge when the people are told that there are \$220 million of Greek money tied up in the sterling areas, and when Greek Embassy officials are quoted as saying that if they had the money they could do a lot of this job themselves.



I understand the difficulties, Mr. Secretary. I am just asking whether or not there is not some way to go around the difficulties for the purpose of capitalizing on this particular sum.

Secretary ACHESON. I do not think there is, Senator.

Senator GEORGE. I would not see any way, Mr. Chairman, except to buy the sterling and handle it ourselves, and take the loss on it.

The CHAIRMAN. Well, what would you like to say to us? Secretary Patterson, Secretary Forrestal, and Secretary Acheson are available to all of you.

Secretary PATTERSON. I quite agree with the approach that you have to point out to the people that these other resorts that have been suggested are not available, such as the World Bank, Export-Import Bank, and the United Nations, because the first reaction is always, "This is a very strange step for us to take. Haven't some of our agencies already in operation got the power to handle the situation?"

I think it is imperative that each one of those possibilities be dealt with and the reasons pointed out why they cannot do it.

People will ask, "Well, did not Iran go to the United Nations a year ago to check Russian aggression, and was it not checked?" In one way or another it was.

Senator GEORGE. Have we any loan to Turkey through Export-Import Bank? We have no loan now, have we?

Secretary ACHESON. \$25 million.

Senator GEORGE. A small loan. We have none with Greece.

Secretary ACHESON. \$15 or \$20 million have been made available to Greece. Part of that has been spent and part has not.

#### LOAN FOR THE ITALIAN ARMY

Senator CONNALLY. Is it not true that we made a large loan to Italy for practically these same purposes, to keep communism from overwhelming her and chaos resulting?

Secretary ACHESON. The Export-Import Bank has done that.

Senator CONNALLY. I do not see why we should get in such a lather about this when we have been doing it for other countries. The dramatics of it is that it looks like a direct thrust at Russia. These other loans were indirect thrusts at Russia. We were afraid she would come in and take control in Italy and France, and we loaned them the money.

Secretary PATTERSON. The relief we gave in Italy was by having the Army pay some cash in place of making Italy foot the bill itself for the expenses of our troops there.

Secretary ACHESON. Yes. We have given Italy several kinds of help. We have transferred to Italy the dollars which accrued on account of the pay of our troops. Our troops were paid in lira. Dollars were deposited in the Treasury against that, and those funds were made available to Italy.

Similarly, the Army made purchases in Italy. We have paid dollars for those purchases.

The Export-Import Bank has made a loan of \$100 million.

Senator CONNALLY. We have made available to Italy in all about \$900 million in one way or other, have we not?

Secretary ACHESON. About that.

## LOANS TO GREECE SINCE THE WAR

The CHAIRMAN. The complete answer to your question seems to be as follows:

Since the war the United States has already extended credit to Greece totalling \$115,000,000. Of this, \$45,000,000 was an authorized line of credit for the purchase of Liberty ships and other maritime equipment valued at \$60,000,000 to private Greek interests, guaranteed by the Greek Government. A credit of \$45,000,000 was also given Greece for the purchase of United States surplus property abroad. An Export-Import Bank credit of \$25,000,000 was extended in January, 1946, for rehabilitation purposes. Also, through its 72 per cent of the total contribution to UNRRA, the United States has been instrumental in extending another \$260,000,000 in aid to Greece.

So, in one way or other, we have created a sizable account already. Senator WILEY. What does that total, then?

The CHAIRMAN. You see, it is a divergent mixture of things. Some of these credits are probably good.

Senator CONNALLY. The UNRRA figure is not any good, of course.

The CHAIRMAN. No. The Liberty ship account might be good. The total is \$200 million aside from UNRRA.

## ACQUAINTING THE AMERICAN PEOPLE WITH THE FACTS

Mr. Secretary, when and how is there going to be an opportunity on the record and in public to frankly acquaint the American people with all of these various facts that we have been discussing this morning?

Secretary ACHESON. I presume that that will occur before the House committee and before this committee when the bill comes before it for hearings.

The CHAIRMAN. Will you be prepared at that time to lay frankly all of these facts on the record as you disclosed them to us this morning?

Secretary ACHESON. We will have to do it with a certain amount of discreetness, but we will have to do it, yes.

The CHAIRMAN. I think the whole story has to be made utterly plain.

(Discussion was off the record.)

The CHAIRMAN. Answering another question, the accurate answer regarding reparations for Greece is \$105 million from Italy and \$45 million from Bulgaria, a total prospective revenue of \$150 million, spread over 6 or 7 years.

Senator CONNALLY. With very little of it available immediately.

The CHAIRMAN. Secretary Forrestal, have you anything you want to say on this situation,

## THE NAVAL POINT OF VIEW

Secretary FORRESTAL. Only from a naval point of view, to repeat what I know all of the members of your committee are aware of, that this involves the Mediterranean area. There are two ends to that battle. One is at Gibraltar and Spain and the other, of course, is the eastern end of it, and if our people were faced with the closing of the Mediterranean, which is what the demolition of Greece as an active power means, and the accession by Turkey to Russia's demand for the Dardanelles, you have cut the world in half. That is the naval interest.



I think, as Admiral Sherman points out, it may be wise to point out that American interest in the Mediterranean is not a new thing. The earliest history of the American Navy dealt with the Mediterranean. In fact, we were more active there than we have ever been anywhere since we have had merchant shipping. The actions of the pirates of the Barbary Coast in connection with that shipping brought it home to us very sharply.

(Discussion was off the record.)

#### WESTERN EUROPEAN ECONOMY IN DIFFICULTY

Admiral SHERMAN. I have nothing to add, except to emphasize that the economy of Western Europe, dependent on coal, seems to be having increasing difficulty.

#### THE IRON CURTAIN

Secretary FORRESTAL. It might be well for us to show that line. Take that so-called Iron Curtain, running right down here and across, and through the Black Sea. The Russians, you remember, were asking for a trusteeship in Tripolitania, which would be an extension over the sea of that same curtain.

Turkey and Greece are each a function of the other. If Greece goes, it is on the flank; if Turkey goes, you have an impossible military situation.

#### U.S. SELF-INTEREST

The CHAIRMAN. What is the answer to this question—and with great respect I think this was the chief weakness in the President's message, that at no point did he bring this hazard home to the United States as an American hazard in any aspect. He left it rather in the ideological field, of interest in freedom. Does not this come back to the United States and its own intelligent self-interest in very realistic fashion?

Secretary FORRESTAL. Absolutely.

The CHAIRMAN. How can you prove that to the American people? What can you say to them? What dare you say to them on that subject?

(Discussion was off the record.)

#### LIPPMAN EDITORIAL

Senator SMITH. Mr. Chairman, if I may ask one other question of the Secretary, Mr. Lippman, in an editorial a few days ago, pointed out that if we got into the business of spreading our financial resources too thin, we would accomplish nothing by it, we might get ourselves into trouble, the dollar go off, and so on, and he raised the interesting suggestion that possibly it was our job, as a matter of foreign policy, to seek certain strategic areas that we could bolster, and limit our policy to that, instead of being caught with a lot of things we cannot keep up with. That is what troubles me.

Secretary ACHESON. I read that article of Walter Lippmann. One of the interesting things is that in prior articles of Mr. Lippmann, Greece and Turkey have always been the strategic area in which he was most interested. Now he talks about other strategic areas as though this were not one. I do not know whether he is still interested in Greece and Turkey, but he is interested in some other places.

It is true that there are parts of the world to which we have no access. It would be silly to believe that we can do anything effective in Rumania, Bulgaria, or Poland. You cannot do that. That is within the Russian area of physical force. We are excluded from that. There are other places where we can be effective. One of them is Korea, and I think that is another place where the line has been clearly drawn between the Russians and ourselves.

(Discussion was off the record.)

#### ESSENCE OF PRESIDENT'S MESSAGE

Senator SMITH. Then we have come to this place in our policy: We are saying, "You have come this far. Now you have to stop or you are running head on into us." Is that what the President's message means?

Secretary ACHESON. In these areas where our help can be effective in resisting this penetration.

Senator SMITH. Of course, you have to decide where you can be effective.

(Discussion was off the record.)

The CHAIRMAN. The fundamental problem that baffles me is that the Russians feel perfectly free to talk about us in any way they please, regardless of whether there is any truth in it, and it never seems to occur to anybody that that creates an international incident, and we have to weigh every word we say. Are we reaching a point where we can say some of these things publicly? I want to know what the Secretary has to say about that.

#### RUSSIANS ATTACK UNITED STATES THROUGH THEIR PRESS

Secretary ACHESON. The Russians are reasonably careful. They have this fiction that the Russian press is not connected with the Russian Government, so it is the press that says the extreme things about the rest of the world. The Russian governmental officials usually attack the Western Powers by referring to "imperialistic capitalism" and "encirclement by the capitalistic countries" and that sort of thing. It is not very often that they come out, although they have done it, as you know, in Paris and other places.

(Discussion was off the record.)

Senator WHITE. May I go back and ask a question on a matter that I think, if not highly important, is of interest to me?

#### WORKING THROUGH THE U.N.

We have heard from many quarters that we ought to take this problem and dump it in the lap of the United Nations; that our representative ought to demand consideration and action on it, and we are told at the same time that the United Nations cannot do anything about it.

What I want to know is, why cannot the United Nations do anything about it? Is it because it has not the charter and the authority to deal with problems of this character, or is it a want of authority in the organization, or is it a want of funds? Or is it just the voice of Russia that is stopping the United Nations?

I would like to have, for my own information, a clear statement as to why the United Nations is impotent, or is said to be impotent.

The CHAIRMAN. I thought we covered that earlier in the hearing pretty completely.

Senator WHITE. We covered the fact that there was a desire to have it passed on to the United Nations and the fact that the United Nations could not do anything about it, but I did not hear a statement of the reasons why the United Nations could not function.

The CHAIRMAN. The first reason is that the United Nations is not a relief agency and has no funds for relief, and if this problem were to be passed to the United Nations, the only thing in the world they could do would be to reassemble a special session of the General Assembly and levy an assessment on the membership to raise these funds, which would put the major assessment on us, but would leave us entirely without adequate control of their expenditure, so that as a relief agency, which the United Nations was never supposed to be, its use for those purposes is not only impractical but entirely contrary to our own public interest, because we want to control our own funds. The chief complaint against UNRRA is that we spent the money and did not have the say-so. That would be exactly the situation in the United Nations.

Second, the United Nations has two functions: One to keep the peace peacefully, and the other, if necessary, by military force, and the second is the complement of the first. The second cannot even be considered at the moment because the United Nations has never completed the contracts for military force which the charter requires, and it has not completed them because Russia would not permit them to be completed.

Therefore the United Nations (1) has no facilities for relief and was never supposed to have; (2) it has no facilities for the use of force, because it has been denied the opportunity to develop the use of force.

Senator WHITE. You have said what I wanted to hear and what I wanted in the record.

Senator GEORGE. In other words, as a peace force it has never been organized effectively or completely, and it cannot go on on account of Russia.

The CHAIRMAN. That is correct.

Senator CONNALLY. Furthermore, let me suggest to the Senator from Maine that even the Security Council, if it had this force, cannot intervene unless it finds that there is a threat to world peace involved.

Senator WHITE. Of course, the thing that intrigued me about it was, if we accept the conclusion that the United Nations cannot do anything about this thing, that raises a question as to why we want to pass it on to the United Nations.

Senator CONNALLY. I raised that question earlier. I did not see any use in doing it.

#### FAITH IN THE U.N.

Senator WHITE. I think if we passed this question up to the United Nations and the United Nations concluded and said to us and to the world that it could not do anything about it, I think it would be a



tremendous shock to the American people, who have had up to now—and I think they still have it—a very substantial faith in the United Nations as an instrument for peace.

The CHAIRMAN. They have a right to that faith, and the United Nations has functioned in many a situation to prevent a festering situation becoming belligerently dangerous. There is no question about that, and in my opinion it will continue to do so. But it has to have its organization completed before it can be expected to function.

It might be remembered that the United Nations now has a commission in northern Greece, sent there by the Security Council, to inquire into external aggression from Yugoslavia and Bulgaria, and I would like to ask the Secretary whether there is any hope for an early interim report, at least, from that group. It seems to me that is another thing which would be very useful to the psychology of this situation.

Secretary ACHESON. Mr. Ethridge is working very hard to produce that. Again, he is meeting obstruction and difficulty from some of the members.

The CHAIRMAN. Will you refresh my recollection as to what countries are represented on that commission?

Secretary ACHESON. I cannot be very accurate. I think the United States, the Soviet Union, the British, the French, Brazil, Colombia, and I think Syria or one of those Middle Eastern countries, and Poland.

The CHAIRMAN. And you hope for a reasonably early report of some sort?

Secretary ACHESON. Yes, sir. We are trying to get an interim report.

Senator WHITE. Just sort of summarizing what I attempted to say, I think if we accept the possibility that the United Nations can do something with this situation, then by all means send the problem to her. But if, on the contrary, we have reached a conviction that there is nothing the United Nations can do, then I think it is a very serious question whether we want the United Nations telling that to the whole American people, that they cannot do anything about it.

The CHAIRMAN. I think the American people have got to be told that they cannot do anything about it, and the reasons. And that is why I would like to dramatize the reasons.

Senator WHITE. I think it is highly important that the reasons go with the answer.

Secretary PATTERSON. Greece appealed to the United Nations in December, did they not, against this border warfare being waged against them? And the United Nations responded by sending a commission there to inquire into it.

The CHAIRMAN. And if there were time for nature to take its course, the report of that commission would probably come back to the Council and then perhaps to the General Assembly, and you might get a solution of the border difficulty if you could wait that long.

(Further discussion was off the record, and the hearing was adjourned at 12:40 p.m.)

## [FROM THE OFFICIAL MINUTES]

EXECUTIVE SESSION, FOREIGN RELATIONS COMMITTEE, MARCH 18, 1947

The committee met in executive session at 10 :30 a.m.

Present: Senators Capper, White, Wiley, Smith, Lodge, Connally,  
George, Thomas, Hatch, and the chairman.

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The Greek-Turkish aid program was next discussed. The chairman pointed out that the State Department is preparing a letter which the President is to be asked to submit to Secretary-General Lie of the U.N.

Senator Connally brought up the subject of hearings and stated it was his opinion they should start immediately and that a bill should be introduced. Senator Smith agreed with Senator Connally as did Senator White. Senator Lodge felt that the chairman's proposal to first obtain answers to a questionnaire was the more orderly way to proceed. Senator Hatch favored the committee getting into action on the matter. No definite action was taken.

The committee adjourned at 11 :55 a.m.

[No official transcript appears to have been made of this meeting.]



## [FROM THE OFFICIAL MINUTES]

EXECUTIVE SESSION, FOREIGN RELATIONS COMMITTEE, MARCH 20, 1947

The committee met in executive session at 10:30 a.m.

Present: Senators Capper, Wiley, Lodge, Connally, George, Hatch, and the chairman.

The meeting was called for the purpose of planning hearings on the proposed loans to Greece and Turkey. The bill, S. 938, was introduced March 19 by Mr. Vandenberg (by request).

After a general discussion it was agreed to begin the public hearings, Monday, March 24, 1947, at 10 a.m.

The committee adjourned at 11:26 a.m.

[No official transcript appears to have been made of this meeting.]

NOTE: For public hearings on March 24, 25, 26, 27, and 31, 1947 see Senate Committee on Foreign Relations, *Hearings on S. 938, A Bill to Provide for Assistance to Greece and Turkey*, 80th Congress, 1st Session (1947).

## EXECUTIVE SESSION

S. 938

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FRIDAY, MARCH 28, 1947

UNITED STATES SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, D.C.*

The committee met at 10 a.m., pursuant to adjournment, in the committee room, the Capitol, Senator Arthur H. Vandenberg, chairman, presiding.

Present: Senators Vandenberg (chairman), Wiley, Smith, Hickenlooper, Lodge, Connally, George, Barkley, and Hatch.

The CHAIRMAN. The committee will come to order.

Before we chat with the Ambassadors, I want to settle the question of procedure from here out. I will tell you how it looks to me, and then we will take the consensus of the committee.

Next week Friday and Saturday it is my understanding that the Senate will not meet, that being Good Friday and Easter, and there will be no session on Friday and Saturday. If we meet on Monday and hear Secretaries Acheson, Patterson, and Forrestal in executive session, we ought to be able, it seems to me, to start working on the bill on Tuesday, April 1, and if we devote Tuesday and Wednesday to writing up the bill we ought to be able to report it on Thursday, which will be the last session of the Senate next week. I have a tentative arrangement then, under those circumstances, to take it up on Monday, April 7, on the floor of the Senate.

If that program is to be followed, it is impossible to have any further public hearings. There are four specific requests to be heard and, as the Senators know, there is the general appeal made at the close of the hearings yesterday by the representative of the Lawyers' Guild and an appeal made personally to me by Senator Pepper that we do not conclude the public hearings but run them as long as anybody wants to be heard. I have explained to Senator Pepper that that hardly seems possible under the limitations which we necessarily confront.

Under the circumstances, my thought would be that we should announce that public hearings are ended, but that our record of the hearings will not be made up until Thursday; that we can notify all who have requested to be heard that their briefs will be received up until Wednesday at 5 o'clock and printed in the record as part of the record. Then we can circulate the complete printed hearings and the complete questionnaire and the complete answers for the benefit of Senators over the weekend next week. It seems to me that under that schedule we should be ready to proceed to business on the floor of the

Senate on April 7. Monday. I do not see how we can get there any sooner. I do not see how we can get there that soon if we have any further public hearings.

There is a question involved about public hearings, because it is most unfortunate to create any suggestion that the public is not being given complete opportunity to be heard, but we confront a condition and not a theory in this respect. That is the situation as it appears to me, and that is the answer I would give. I will be glad to know what the committee thinks. Senator Connally?

Senator CONNALLY. I am anxious to get ahead, but I do not suppose there is any earlier way.

You spoke about having the Secretaries here again in executive session. What is the necessity for that?

The CHAIRMAN. Senator Lodge is very anxious to present some questions.

Senator LODGE. Yes. I have some questions to present, and there are a great many questions in here that have not been answered yet, and that I do not think can be answered in public.

Senator SMITH. I share Senator Lodge's feeling in that. I think we should have the Secretaries here.

Senator CONNALLY. Under that program, if we are going to adjourn Friday and Saturday, I do not suppose we can get to the floor any earlier. I do not think there is any necessity for having any further public hearings. You talk about wanting to have hearings until everybody can be heard. That means endlessly. If you had a hearing from now until December 25, there would be one who would feel he had a new idea and a new approach and he should be heard. It is just the same as it is in the Senate. You start debate up there and you wear them out before you can stop it. I do not see any occasion for public hearings. We heard everybody who showed up.

The CHAIRMAN. Yes. I think the record should show that we have heard every applicant except Mr. Costa G. Couvaras, representing the American Relief for Greek Democracy, and who was called at the request of Senator Thomas but who did not get here until yesterday afternoon. I notified him that he could have the first 10 minutes of this morning's session, because I wanted to be absolutely fair with him, but he has not shown up. Otherwise, every witness who has asked to be heard has been heard.

What does the committee think about this?

#### EXTENSION OF PUBLIC HEARINGS

Senator SMITH. I share your views, Mr. Chairman, and I think that is the right procedure, but, of course, we must pause a minute on the gravity of this situation, developing what might be looked upon as a new foreign policy and the natural feeling in the country that they do not want to be shut off from having their views expressed.

I have had a great many letters from people who indicate that this is so serious that we ought not move too fast in it. I would just like to ask you, Mr. Chairman, how urgent you think this legislation is. Suppose we gave another week of public hearings. I am inclined to agree with you that we gain nothing by it, but I do not like to put through a measure without waiting for the people of the United States to register their feelings.

The CHAIRMAN. If you wait a week you will still confront at that time the demands of those who still have not been heard. In the second place, you will have put off your Senate debate until April 14. You will probably collide by that time with the labor legislation and the tax legislation, and have to fight your way through to any sort of consideration, and I just do not think it is feasible.

Senator SMITH. I agree with you. I am just raising the point so that we are sure we are not saying to the people, "Well, this is our business and you are not entitled to be heard." I think we have given them every chance. You have certainly had some witnesses who were allowed to appear who did not contribute much except a little heat.

That is the only question I raise. I am prepared to say yes, your plan is the right one. Let's go ahead and wind it up.

The CHAIRMAN. I would like a motion on the subject.

Senator GEORGE. I would like to say this: I think it would depend upon who is asking to be heard, whether you have any additional requests, whether they come from responsible sources that might be helpful to this committee.

The CHAIRMAN. Let me read the four requests to you:

Mr. Alex Karanikas, secretary of the American Council for a Democratic Greece, of New York City; Mr. George Prinsky, national secretary, National Committee, Macedonian-American People's League, New York City; Russell Smith, National Farmers Union, Washington, D.C.; and C. B. Baldwin, vice chairman, Progressive Citizens of America, New York.

Senator GEORGE. If you are going to have the Secretaries again next week, if by that time we are requested to hear responsible spokesmen from responsible sources, I do not think you ought to close them up, because I think that at most 1 or 2 days' additional hearings might be sufficient to dispose of the matter. It may be that you will have no further requests. Most of these people can be notified that they can send down a written statement or a brief, and they ought to be satisfied in 95 percent of all the cases.

The CHAIRMAN. I think even on this timetable that I gave you it would be possible to have one additional day of hearings on Monday, if you wish to do it. The question then is, Where are you at the end of Monday?

Senator GEORGE. I think, Mr. Chairman, if you are going to have 1 additional day's hearings, the committee ought to announce that the hearings will be continued through Monday and that public hearings would then end, and that everything else must be filed with the committee to go into the written record if the committee decides to put it in.

The CHAIRMAN. Then you would prefer, Senator, to amend the timetable to have 1 final day of public hearings on March 31, the Secretaries in executive session on Tuesday, and we can write up the bill on Wednesday and report it on Thursday.

Senator GEORGE. That would be my idea. I would prefer that, and that gives an opportunity to the committee to give the public notice of this 1 additional day, or at least that public hearings would end on Monday evening.

Senator LODGE. Mr. Chairman, so far as I am concerned I approve of the idea of ending the public hearings. I have 28 questions to ask Mr. Acheson, and if everybody else here has 28 questions, it will take



more than 1 day. Some of my questions are very short, but I do think it is very important that we have a very thorough opportunity to ask questions in executive session.

Senator WILEY. This is the executive session he is talking about.

Senator LODGE. Yes; and I have a few questions to ask Secretary Patterson.

The CHAIRMAN. There is just really one question involved, whether or not you are any worse off to end the public hearings now or to try to end them after 1 day's notice, when again I am afraid you will be colliding with a lot of unheard witnesses.

Senator GEORGE. Maybe.

Senator BARKLEY. Except that there is this advantage, Mr. Chairman. I do not believe we have given any public notice of the conclusion of public hearings, have we, up to now?

The CHAIRMAN. No, I do not think so.

Senator BARKLEY. There was a general understanding among us that we would close them this week, but I do not think the public was notified of that.

The CHAIRMAN. The only public notice I know of was that Senator Pepper had said that he was disturbed when he had read that you had said in the papers that the last day of the hearings would be yesterday.

Senator BARKLEY. I have a facility for disturbing people by something I did not say.

Personally, I do not see why we should need more than 1 day to write up the bill. We could sit in the afternoon, assuming that the Lilienthal matter will be still on most of next week. I see no harm that could come. I do not think we will get any additional light from another day's hearings, but we would at least fortify ourselves against a charge that we had, without public notice, closed them, and I would be willing to have a public hearing on Monday, but serve notice on everybody that that is the last public hearing.

The CHAIRMAN. Do you want to present a motion to that effect?

Senator BARKLEY. I will. Senator George made the suggestion.

Senator GEORGE. I make a motion that we have 1 additional day of public hearings, and that we give notice that public hearings will close at the end of that day and then the committee will, of course, control its own program.

The CHAIRMAN. Is there objection?

Senator CONNALLY. I am not going to object, but I want to suggest, in answer to the fact that you said there would be a lot of people who want to be heard, that there will be more people if you give them another day that will not get heard and will want to get heard than there are now. Now we are in a position where we can pretty easily just let it fade out and let the thing end. But if you have another day's hearing, every fellow who did not get to be heard on that day will growl and say, "Well, you heard Jim Smith. I was up there trying to get heard and you didn't hear me," and there will be more complaint about the matter than there is otherwise.

It is all right with me. I can stand it if you can.

Senator LODGE. I think the Senator from Texas is right, but I am not objecting.

The CHAIRMAN. Those in favor of the motion say "Aye." Opposed, "No." We will proceed on that basis.



Senator CONNALLY. I abstain, Mr. Chairman.

The CHAIRMAN. That does not constitute a veto under our process.

Senator CONNALLY. That is right.

The CHAIRMAN. Then we will proceed on that basis, and our target, then, as indicated, is to bring the bill to the floor on Monday, April 7.

Senator CONNALLY. Put in the notice about ending them, and put it in there that that means the end. That is not protocol and diplomacy; that is just a hard, cold fact.

#### TELEGRAM REQUESTING EXTENSION OF AID

The CHAIRMAN. I think you would all be interested if I take just an additional minute to read a telegram from the general secretary of the Executive Committee of the Federal Council of Churches of Christ in America, which is a very important organization. I think his viewpoint is very interesting. I would like to have this telegram printed in the record as of yesterday:

I have the honor to submit the following resolution adopted by the Executive Committee of the Federal Council of the Churches of Christ in America on March 25th and would appreciate your reporting it in the hearings:

The proposal of President Truman to Congress asking for the extension of aid to Greece and Turkey for economic and military purposes deserves our serious consideration as Christians and citizens.

"At this time we do not have adequate information on the total situation in the Near East and our entire relationship with Russia that called forth the President's proposal. Further early action by the Federal Council's Executive Committee may be expected on the basis of fuller knowledge and a more complete analysis by the Commission On a Just and Durable Peace of the implications of the proposed legislation. There are considerations, however, which we believe it desirable to bring to the attention of our constituency at this time.

"1. The President's frank statement is a contribution to our national thinking. He specified, as the major factor occasioning his proposal, the attempted subjugation of peoples by armed minorities and outside powers using coercion and infiltration. The implication is clear that the main difficulty lies in our relations with Soviet Russia. It is therefore also clear that the endeavor to reach an understanding with Russia must be a major emphasis. If Soviet foreign policy is aggressive and expansionist in character, we have the obligation not only to discourage expansionist action but also to seek a comprehensive settlement of all our conflicting interests with Russia and thereby offer to Russia the prospect of a peaceful development of her legitimate interests that will appeal to less expansionist elements in her government.

"2. We recognize that the United Nations and its specialized agencies, recently brought into being for the purpose of preventing war and aiding economic and cultural development among the peoples, are not yet equipped to deal with all the immediate problems that threaten the integrity and welfare of the various states. We believe, however, that in such issues as those presented in the President's proposal we should give the United Nations full information, we should seek the counsel and cooperation of the United Nations in the allocation and expenditure of funds, and we should invite inspection by representatives of the United Nations of whatever program for rehabilitation in Greece and Turkey may be adopted. If any part of the program proposed can be undertaken now by the United Nations that should be done. Thus, the organization of the world for peace will be strengthened. Our Government should do everything possible to reinforce and equip the United Nations so that it will become competent to undertake such responsibilities as the President now asks our own Government to assume."

That is signed, "Samuel McCrea Cavert, General Secretary."

Senator SMITH. I would like to note that that is the organization of which Mr. Charles P. Taft, brother of Senator Taft, has been elected President.

The CHAIRMAN. We have with us this morning Ambassador MacVeagh, who represents us in Greece, and Ambassador Wilson, who

represents us in Turkey. We want to hear from both of them, and while a record is being made, at any time you wish to speak off the record, if you will so indicate it will be off the record. These are not to be printed; they are purely for our private information.

Ambassador MacVeagh, will you proceed?

**STATEMENT OF HON. LINCOLN MacVEAGH, AMERICAN  
AMBASSADOR TO GREECE**

Ambassador MACVEAGH. Of course, I have been over there a good long time, and I have seen Greece under different conditions from the conditions that exist now, and perhaps the best thing I can do in the course of my talk is to emphasize the great difference that exists at the present time from what existed before, and the reasons for it.

At the present moment, the situation in Greece is exceedingly grave and critical, actually critical. Any delay, if we are going to do anything about it, is very dangerous if we are going to avoid a total collapse of the country, both economically and socially, which will bring the country into the satellite orbit of the Russian Empire. The situation has been growing for a long time until it has got to a point where there seems to be very little chance of doing anything about it unless somebody from the outside takes a hand.

Now, when I was in Greece in the old days we used to have plenty of revolutions. I have seen every kind of revolution.

Senator CONNALLY. What do you mean by "old days"?

Ambassador MACVEAGH. I mean from 1933 to 1940. But that period was a period which was very similar to what took place from 1917 on. It was just a continuation of Greek history in a normal way between the two world wars. It is a highly unstable political country, and they are very, very fond of changing their Government and chasing it out and putting in another one.

Senator CONNALLY. We have that fever here now.

Ambassador MACVEAGH. They did that quite regularly. I have been in Greece under every kind of government—when it was a republic, when it was a regency, a monarchy, a dictatorship, a monarchy, and then another regency.

The CHAIRMAN. I understand there are 46 political parties in Greece.

Ambassador MACVEAGH. Almost everybody can be a political party. I have had a man come in and talk to me and say, "I have a party." He had a man with him.

"Who is this man?"

"This man is going to run my newspaper."

"That is very interesting."

Then he tells me all his ideas, and finally gets so excited that he rises and, with a typical Greek gesture, says, "I represent the people of Greece." and the only people in his party are himself and his newspaperman, and they all have their newspapers. It is politically a very lively society. But those revolutions never made very much difference to the people in the whole. They took place and there was a little shooting in the streets, some bystander would be hit, they would have a section of the army on the side of the revolution that would walk in and take over the Prime Minister's office and the revolution was over, and they would all go in and talk about it in the cafes. Now it is a very different thing.

## BACKGROUND FOR CURRENT POLITICAL SITUATION

The European situation has changed. Greece has become a part of a larger area in Europe which is involved in social strains and stresses. Since the Communist Revolution in Russia, Russia has become the only great power on the European Continent. Great Britain has no possibility any more of forming the old coalitions against the dominant European power. Russia's influence is getting stronger and stronger, and she has, owing to the fact that during the World War the Russians liberated the northern part of the Balkan Peninsula and the British liberated the tip end of the peninsula in Greece, there has come about a frontier between the Western World and the expanding eastern Communist-dominated world along the frontiers of Greece, where you have a situation like oil and water, where they do not mix.

That creates these strains and stresses in Greece which have greatly increased the power of the Communist Party within Greece itself, which has become today a very powerful fifth column movement.

Before the war there was very little Communist activity in Greece. Senator Connally has been in Greece. He knows what it looks like in that country. It was largely an agricultural country. There were a few places in the country where there was some industry, around Salonika and in the tobacco region in the north, and around Athens, where there were small industries that rose up to take care of the refugees that came in from Turkey in 1935. But the great majority of the population are land-owning peasants. There is no agrarian problem there. The peasants have been given their land years ago; they are highly individualistic, highly democratic.

The Communist Party in Greece got its start after the last World War in Macedonia, and I was a witness to its first attempt to do something in the way of controlling the Government.

SENATOR CONNALLY. When you speak of Macedonia, do you speak of the part of it in Greece?

## GREEK TOBACCO INDUSTRY

AMBASSADOR MACVEAGH. I am using that in a broad sense, Senator, the northern part, eastern and western Macedonia, in Greece. I am using the phrase a little bit to mean the northern provinces of Greece. The tobacco business extends into Thrace, which is the eastern continuation of the Macedonian strip. That is where the principal growing of tobacco is done in Greece and where most of our tobacco companies get their oriental tobacco from to mix into our Chesterfields, Camels, Old Golds, Lucky Strikes, and so forth. There is in all those cigarettes widely sold over here about 12 to 13 percent of oriental tobacco. A good deal of it comes from Turkey, but a good deal also comes from Greece.

We have out there companies who operate in a very specialized way, and with that specialized industrial business of the tobacco which was the first thing to attract Communist organization, and it was done under the presidency of old Mr. Venizelos, the great democratic liberal leader of Greece, who was faced with the problem of settling the refugees who came from Turkey in 1925 in the exchange of populations and settling there those people and giving them something to do. At



the time there came into Greece, whose population was 6 million, about 1 million refugees with nothing to do. It was a tremendous problem. Mr. Morgenthau headed the Refugee Settlement Commission of the League of Nations and went over there, and the problem was finally solved by settling these little fellows in every village and town of Greece, to do what they could in little business that they understood, little manufacturing business they understood from Turkey, like weaving rugs and making little clay pots and any little thing that they could do.

They were also given some land to cultivate, with the understanding that after 20 years or within 20 years or so they would repay the fund.

But there were quite a lot of them left over after all that had been done, and Mr. Venizelos said, "Here is a great idea." In the tobacco business of the North they run it this way. The farmer grows his tobacco and the buyers, who are all foreigners except for a few agents in Greece, come in and they establish highly paid and very expert staffs in the towns of Kavalla, Drama, Serrai, Xanthe, Alexandroupolis, and Salonika. Those fellows live there and learn the language and get to know every farmer personally. Then they go out in their little cars and they visit these farmers living in the farm houses and buy the tobacco for the big companies like R. J. Reynolds, Liggett & Myers, and so on, right there on the ground.

Then the farmer packs the things up and sends them into the central towns, where these companies have big magazines. Those magazines are the property of the companies. The tobacco is spilled on the floor in vast barnlike structures, and Greeks are hired to come in and sit on the ground, cross-legged, in great long rows and do what they call pick the tobacco. They pick the leaves over for quality, and then the thing is supervised by the American staff, and this stuff is packed up in bales and again kept for a long time, turned over from time to time, its temperature taken, and after about a year of storage the bales are put in ships and sent across the ocean, and then they are mixed with Virginia tobacco over here.

Venizelos said, "Here is a thing that is going on where you are using the same people to do two jobs." The farmers' daughters and their wives would come in and do the tobacco picking, and they also were connected with the fellow who was picking the tobacco in these warehouses. He said, "We will put the refugees in to do the tobacco picking," and large settlements of them were formed around all these little towns that I told you about, and they did the tobacco picking. But they did not think of the fact that this was a seasonal occupation, and for many months during the year the tobacco pickers had nothing to do. The farmer, of course, and his wife, got pretty well paid for the tobacco, lived on the farm, and grew their own things. These industrial workers were occupied for a few months of the year, and the rest of the time had nothing to do.

#### ORIGINS OF COMMUNIST INFLUENCE

That is where the first Communist organizers came into Greece. They organized the tobacco pickers of those towns in the early thirties, with agents that came down, the head men trained in Moscow, and it

got to such a point that in 1936, in the spring, there was a strike in Salonika of small workmen and so on who had not been very well treated, and the tobacco people declared a general sympathetic strike throughout the whole of Macedonia and Thrace.

I happened to arrive in Salonika the morning the strike was called. It was a very bad thing. There was a great deal of shooting; there were many bodies carried around the streets; the Governor General sent word to me to stay in the hotel, he could not guarantee me my safety. I got hold of the consul and we got hold of a car and we drove through the whole northern region. The strike had to be quelled by the Government, who sent an army corps from Thessaly into that region, and also moved up some destroyers from Athens, and they broke the strike. Three months later the man who broke the strike, who was then a Prime Minister, declared to the King that he had information that a similar strike was going to take place in the Athens region. That was the beginning of the dictatorship, because, when the King signed the document giving him full powers, he assumed, he said, temporary dictatorial powers in order to quell the Communist movement, and later on he changed that into a perpetual dictatorship. That was Metaxas. He was given a mandate for 3 or 4 months, until elections could be held, but during that time he organized his own system of secret police, got his hands on everything, and took over what he thought was going to be a perpetual dictatorship.

Senator SMITH. How many years did Metaxas cover?

Ambassador MACVEAGH. From the fall of 1936 until the time the Germans came in.

That was the first sign of what was coming up. That was your storm cloud, your connection of international communism with Greece.

During the dictatorship the Communist Party in Greece went underground. Nothing more was heard of it.

The CHAIRMAN. Were these imported agitators who organized?

Ambassador MACVEAGH. Some of them were. The chief men were. They were men who had been trained there and in other places in Europe.

Kavalla became a little center like Barcelona in Spain. It was a soft spot being developed like a soft spot on your lung that gives you pneumonia. Metaxas was a strong organizer and he didn't stand for any opposition, so they went underground. All the other political parties were abolished by decree. If any people got together and began talking politics, they were either allowed to sit on a block of ice for a while or they were sent into what they call exile in Greece. You put them on one of the islands and let them live there. It is not exile, because they do not go out of the country, but they go to an island and are told to stay on that island. The politicians were all handled that way and the records of the parties were destroyed, the party headquarters were broken up, and everything was dispersed. The ballot boxes were put into a museum and the new civilization in Greece had started along the lines of Metaxas.

The Communist Party was not destroyed. The Communist Party itself just dispersed and the people connected with it took on another aspect—tended to be something else, and said they had given up their communism, and they just went underground.



## DEMORALIZATION OF WORLD WAR II

When the World War came along Metaxas died, the Germans came in, and the whole thing was overlaid with a domination of Germans and Italians, and the government fled. During that occupation a very terrific amount of destruction in the country took place, and a great deterioration in the morale of the Greek people took place.

I must say they are a very gallant people and have stood up pretty well, but under the enemy occupation, which operates the SS and Gestapo and those things, you get naturally a deterioration of morality all over the country. Everybody who lived had to live by his wits and fighting against the other fellow, looking after No. 1 first of all, and the morale and the morality of Greece at the present time is far below what it used to be. It is a demoralized country at the present time, demoralized by this occupation, partly inadvertently by the Germans pressing down on them, partly on purpose. They tried to demoralize the Greek people. They wanted to destroy them.

So you had a country when we came back into Greece which was destroyed physically and also destroyed morally, and the country today is a country that is full of people who have not got any sense of responsibility or any sense of corporate activities. They care only about themselves, and thievery and murder and everything of that kind has gone up tremendously. It used to be a very moral little town, was Athens in the old days. It was a safer town to walk around in at 2 or 3 o'clock in the morning than any American city of which I knew. Practically crime was nonexistent. The only murders you had that took place in Greece were in the Port of Piraeus, among the Levantine sailors, and the crime of murder was nearly entirely restricted to the question of adultery, because in Greece, according to their old custom, if a wife commits adultery she has to be killed as well as the man, so you get that kind of thing. But it also kept the morality of the people pretty high, too, that kind of system. But that was practically what crime was. There was practically no stealing or anything of that kind.

Now it is universal. It is an awful mess. You cannot leave a car for a minute on the street. You just turn around and it is gone. They are expert thieves. They learned all these things under the occupation.

We have a demoralized country, we have a country the population of which goes around in fear of each other, because under the occupation some people collaborated, some people did not. The fellows who collaborated told on the others, the others have to get revenge, and you have revenge and vendetta going on all through the countryside.

Meanwhile the Communist Party is lying dormant. You come back with a government that has been chased out and that tries to establish itself in a vacant country where there is no government whatsoever. It has no control over anything. What takes the place of that government? The government itself has no means, no civil service, nothing to work with, no judges anywhere, no gendarmerie in the district, nothing with which to keep order. It is just a Cabinet that sits in Athens when it first comes in.

## RESISTANCE MOVEMENT DIRECTED BY COMMUNISTS

What happens there? During the occupation the Allies, in order to fight the Germans, gave their assistance and support, money and arms, to what they called the resistance movement in Greece, which was made up of chaps, partly fellows who had resisted the Germans to such a degree that they did not dare live at home so they went into the mountains, and others who had committed crimes and were afraid to stay in their homes and who went to the mountains, and others, adventurers, and others who went up there and said, "We are going to carry on the war against the Germans."

That looked fine. We said, "Here is a chance to sabotage this German effort."

At that time Greece was a strategic country. Rommel was in Egypt, trying to capture Egypt, and a line of supply was established by the Germans down through the Greek peninsula, and then by ship and plane across to Rommel in Egypt. It was an important place. They got a tremendous amount of supplies, so this sabotage work for which we hired these fellows was tremendously important—the British Force 133, MO-4, and later our OSS joined in with them. They helped to build up the resistance movement. It was a valuable movement. We sent in adventurous young men, dropped them in by airplane, and they tried to organize these rather disorganized bands of resistance forces into effective sabotage groups, and they naturally looked around to find the best people that they could get among the Greeks to assist them and to be the leaders of these groups.

Senator SMITH. Is that the EAM?

Ambassador MACVEAGH. This is the beginning of the EAM. It had not yet formed itself. EAM means the national resistance movement, and it gradually became, with our help, a unified movement with a name and a program to sabotage the German war effort. It was rather successful, and it had, up to a certain point, a good result. That is, it would occasionally blow up a bridge, and the Germans had to lose several days repairing the bridge.

But, in order to find fellows to do this work efficiently, the men they got were men trained in that thing. They were the men who used to be the old Communist saboteurs, you see—certain fellows from the Balkans and the north of Greece. The men they picked out were the men expert in sabotaging anything, you see, and the leadership became Communist leadership in the groups, and little by little the Communist Party in Greece, which had gone underground, came out that way and became the leaders of the national resistance movement, with our help.

Then the next stage was that Greece was no longer a strategic country. Rommel was chased out of Egypt, the Germans had nothing more to do with Greece, they were fighting for their lives up north, yet the order went on: "You must go on and sabotage everything you can in Greece."

What happened? Every time you did that the Germans took revenge, and they would burn a village for any effort made by the national resistance movement against them. Village after village—some 1,500 villages during that period were erased, largely in the mountains of Greece, the Central Pindus Range where, of course, fellows who

took refuge would have the best chance to go. It was up among the mountain villages that these fellows hid. It was the villages in those regions that were destroyed, and that is where the greatest hunger and misery is today.

Senator CONNALLY. You say they destroyed 1,500 villages?

Ambassador MACVEAGH. 1,500 villages in Greece were destroyed, which created a homeless population which gradually began to drift more and more into the resistance movement, and that resistance movement became very large. Thirty or forty thousand men were involved, directed by the Communist movement. They organized themselves into battalions, companies, regiments, and divisions, as they call them on paper, and in each of the organizations there was a Communist who was under the orders of the headman, who was a member of the Communist Party.

That was the picture of the resistance movement at the time we came into Greece, and they first showed, during the war period, what they had done, how the Communists had come up to take charge of the resistance when we were in Egypt, and they fomented mutinies in the Greek forces in Cairo and Alexandria which caused great difficulty for the British in Egypt, and that movement was, on the face of it, a good old Greek political revolution, but it was instigated from below by the Communist organizers, and the reason why it was so hard to put down and why the mutiny in the ships was so bad, and in the army also, was that the fellows who were really running it were in the rank and file and were agents of the Communist movement, and were not just old Greek democrats or royalists.

#### LIBERATION OF GREECE

We saw that. We knew what was going on. We knew the makeup of this movement. But the British were still hoping that they could get through liberating Greece by just bringing in the government and waving the flag and not putting very much effort into it so far as the military was concerned. They came into Greece and were told they ought to have 20,000 men come in there and nothing would happen, because there would be no effort to oppose them by this movement. But they went in with about 3,000 men.

Senator CONNALLY. Who went in?

Ambassador MACVEAGH. The British. They liberated Greece. The Russians had liberated the rest. They came in and liberated Greece with about 3,000 men, in the face of a movement in the country which was strongly led, organized, and used by the Communists. And that brought about the trouble, because when the British scattered the troops around and said, "Now we have liberated Greece" and took it easy, these fellows moved into Athens, and in December 1944, a very determined effort was made to seize the Government, and then the idea was that that Government would then be put into the hands of the Communists or fellow travelers.

Senator CONNALLY. Was that 1944 or 1945?

Ambassador MACVEAGH. December 1944. I saw this thing go on. It was obviously a little social revolution. It was just like living through what you read of the French Revolution in the old days. The jails were opened; people went around liquidating people on all sides



and carrying off anybody who happened to have a little money or something, or ladies in their evening slippers were taken and marched off as hostages to the hills. Many of them never came back. They were judged by people's courts. The whole thing was a social revolution, and not one of the nice old revolutions we used to have in the old days.

There is your difference. You are coming up to something that is entirely new, and the efforts made, the measures taken to combat this and to foresee it were not sufficient. The British were just able to help this Government that they had brought back in, that had no strength of its own, and to save the three or four blocks around the main hotel in Athens, and they held on there until they brought in reinforcements, and then they pushed the thing back, and after a month and a half the resistance movement head said, "Well, let's call it a day. Let's make an agreement." And they made an agreement, then, with the Greek Government, supported by the British, to call the whole thing off, to surrender their arms, and everything was going to be fine and dandy after that. They were going to have elections, and Greece was going right back to her old basis again.

#### DECEPTION OF RESISTANCE MOVEMENT

The nigger in the woodpile was still there, which was still not being recognized by the British. We recognized it. We had nothing to say about it. The men who signed this agreement for the resistance movement were the actual heads of the Communist Party of Greece. They were not democrats, as they were represented to be. They were not fellows looking to put Greece back on its old basis with the Democratic Party or the Royalist Party fighting it out at the polls. They were men dedicated to the revolutionary idea, men who were running cells of the Communist Party throughout Greece, who were a revolutionary outfit designed in one way or other to get the power and to turn Greece into a totalitarian state.

Senator WILEY. They are Greeks?

Ambassador MACVEAGH. They were Greeks. The head man, Zachariades, is a trainee of the Moscow School for International Communism. Those fellows knew perfectly well what they were doing in signing this thing. They were getting themselves a breathing spell. They signed the agreement and warfare was off and everybody went back, ostensibly to ordinary life and so on. But they went on preparing for the second round. They did not turn in by any means all the arms that they had in Greece, which had been pumped in by Force 133. OSS. and the rest and were hidden up in the hills. They proceeded to organize the second round.

Between the two rounds we made a lot of progress in Greece. UNRRA came in right after this war. Before that there was what they called the ML, the military liaison, that tried to bring in supplies to the Greek people. Then UNRRA came in, and UNRRA did by and large an excellent job. There has been an awful lot of criticism of UNRRA, but it is all on details here and there. They kept hundreds of thousands of people alive, and I think they missed a point in not giving themselves a little bit more credit than they have got. They did a fine job.

The peasants did a fine job. They went back to work, and today, in most of Greece, if you go around the country, you will be surprised to see how beautifully cultivated every inch of ground is. And a certain amount of progress was made.

On the other hand the other fellows worked too, and our second round started last fall. What they decided to do then was to give up the idea of taking Athens and to concentrate themselves where their friends are across the border.

Bulgaria is under the command of Mr. Dimitrov, the present Prime Minister, one of the original Communist organizers in Southeastern Europe. Tito runs Yugoslavia, and Enderhovia runs Albania—three Communist-dominated states. Across from those borders little control can be exercised. You can always take a path; you do not take the road, and supplies and ammunition can come very easily into that northern territory. Then it becomes more difficult as you get down, because you have to go through the government territory of Greece for a long way down to Athens.

#### REAPPEARANCE OF COMMUNISTS AND THE GREEK REACTION

So they began to build themselves up again up there. A lot of their best fighters, who had been engaged in the fight with the British in Athens, went back into Yugoslavia and were trained by the Yugoslavs and indoctrinated plenty in regard to communism, and equipped and sent back into Greece to recreate this subversive movement in Greece. And they began coming back in.

Naturally they ran across a lot of trouble when the Greeks found this thing out, and there came a situation which the Department described to me in a telegram as a "deteriorating situation along the Greek frontier," and wanted to know what was the reason for the deteriorating situation along the Greek frontier. Well, there was the reason for it. They wanted to know who was to blame, and I could not say anything else and tell the truth except that the fellow to blame was the fellow who controls the little countries to the north of Greece, the fellow who is backing them, right square back to the Moscow Government.

The Greeks have tried to repel that. They have got going to such a degree that they have found it very difficult to put it down. The Greeks have their army, such as it is, modeled after the British. It is a sort of streamlined army with trucks and all their mechanical equipment, and they march up there to try to quell these bands that have been organized by these fellows from across the border, and then when they get up there they find that it is not the kind of warfare they had been trained to do. They hear a village has been attacked by a band of 200 or 300 of these very well-equipped bandits. They rush a column up to the village. Before it gets to the village they run across a bridge that has been blown out, and their nice streamlined army cannot get across a ravine. By the time they fix the bridge up and get across the bandits have disappeared. They are very mobile in the country, moving around here and there and attacking the places where the army isn't, and the army is practically powerless to get them to grips.

So it became perfectly clear that if they were going to do anything to stop that situation they have to reorganize the Government's forces so that it can fight these fellows on their own basis. They have to get



thousands of mules; they have to get light mountain guns and more light automatic weapons, and a great deal of equipment in the way of walkie-talkie radio equipment and that kind of thing, so that they can know where they are to be found and each will know what the other fellow is doing.

#### COMMUNIST GUERRILLA MOVEMENT AND ITS ORGANIZATION

You know the country in Greece, Senator. You know how rocky it is. Guerrilla fighting in that place takes a special kind of organization, and heretofore, up to now, the Greek Army has been an army of 100,000 men completely brought to a stand-still in controlling the situation through this fluid fighting by about 12,000 well-organized bandits.

Who are these bandits? Colonel Miller, if he could have been here, could have given you personally his account of going to their headquarters. He was attached to the Ethridge mission, and the Ethridge mission in Salonika or the U.N. Commission on which Ethridge is our representative were pushed by the Russians up there to contact and take the testimony of the democratic general of this army, so-called, which is the bandits. So they did not think his testimony would be worth hearing, because they knew it would be biased, but they finally sent an echelon of the Commission to go down and contact him. They had prepared, meanwhile, a dossier on this man. His name is Markov. He calls himself a democratic general. They were going to ask him a whole lot of very unhappy questions about his past.

He happens to be—and here I can tie this little discourse up—one of the original Communist organizers of the tobacco business. He had a long record of being in jail for various crimes he has committed, and he now has been put at the head of this army and calls himself a general of the democratic army. That is the picture of what the thing is.

Miller got up to this place and he saw his staff and headquarters. Those people are all, in the headquarters of this general, youngsters, fanatical Communists who hold schools and meetings 2 hours in the morning and 2 hours in the afternoon to study the works of Marx and Lenin, and they go out from there to the heads of these bandit groups and spread that doctrine to them and give them the orders that are issued by General Markov.

Many of these poor bandits are just bandits, that is all, just out to loot, but they are gradually becoming unified by this continual pressure of propaganda and that control that is being exercised over them into a subversive army for the destruction of the Greek state.

Senator SMITH. Are those successors of EAM?

Ambassador MACVEIGH. EAM has sort of adopted them. The fighting men that went into Yugoslavia and came back are members of the old EAM, which was the fighting army of the EAM. The EAM is headed by the head of the Communist Party. It is an interlocking affair, see. The EAM is a democratic movement, ostensibly, for the freedom of Greece. It is headed up by the Communist Party. It has a subversive army called the EAM. That army was defeated and scattered. It now reforms and comes back into northern Macedonia, and is being helped by the satellite countries on the other side, which they did not have before when they made their abortive attempt on Athens.

Senator SMITH. Is that the crowd that refrained from voting in this recent election of the King?

Ambassador MACVEAGH. That is the crowd that refrained from the election, the only group in Greece that did.

Senator SMITH. Is it a strong minority?

Ambassador MACVEAGH. It is a strong minority. They would not have been a strong minority in the old days. They are a strong minority now because of the help that they have, the backing that they have.

Senator CONNALLY. Is it pretty well substantiated that Yugoslavia and Bulgaria are actively assisting them?

(Discussion was off the record.)

#### PRESSURE FROM THE NORTH

Ambassador MACVEAGH. There is the danger behind the whole thing. While in Greece the fellows are looking at themselves, behind it all is this big world movement. The Greeks themselves are sensitive, of course, to that big thing. They know that. They see the shadow of this immense thing. They may not think it all out, but that is why in this country today you find it practically impossible to get any reaction out of the Greeks themselves to any economic assistance.

Our help must be double; it cannot be just single. If you go in there to a frightened and demoralized people and try to get them to work again, you can go in so long as you like and give them food to eat. That is one thing. If we are going to stop and give aid to the Greeks you have to get them into the state of mind where they can react to this kind of treatment. It will be of no use to furnish economic help to Greece unless we relieve them of this overmastering fear in which they are all living today of this pressure from the north. They do not know whether they are going to be free or under the yoke of somebody like Tito in a short time, hence why go out to work? If they have some money outside the country, why bring it back into the country? It may belong to the Soviets in a short time.

The CHAIRMAN. Are these powerful minorities that you describe just going to sit idly by and watch us come in and checkmate this entire prospectus?

Ambassador MACVEAGH. They are already on the run, Senator, with just the statement by the President. It has shocked those fellows so much that they are already beginning to show weakness.

Senator WILEY. That army of 15,000 is composed of Greeks?

Ambassador MACVEAGH. It is not a powerful army. It is powerful on account of the situation. That is the internal trouble.

Senator CONNALLY. You mean the 12,000 under arms. Of course they have a large following.

Ambassador MACVEAGH. Oh, they have a following, but a following that would desert them if they get pushed.

The CHAIRMAN. You said this was the most lawless country on earth.

Ambassador MACVEAGH. I did not say that. I said it was demoralized and unhappy, where the old sense of law and order do not exist as existed before the war.

The CHAIRMAN. I thought you said you could get yourself shot very easily.

Ambassador MACVEAGH. I said you could lose your car very easily, and that is true.

The CHAIRMAN. I was wondering about the minority group, trained as they are in subversion and its tactics. What are they going to do when our engineers appear up there to build a bridge? Are they just going to let them build it?

#### SUBVERSION EASILY NEUTRALIZED

Ambassador MACVEAGH. Oh, yes. You get this thing quieted down, this kind of fifth column movement in Greece. It is beaten at the top. I think that the organizers, these fellows who are organizing the unfortunates in Greece, and that is what it amounts to—the unfortunates and miserable have gone into the mountains and are organized and tightened up and being formed into a weapon by an international Communist group. You break down their organization and you chase out or capture the fellows who are organizing them, and you will have a certain amount of banditry in Greece for a great many years, but it will not be an organized subversive political movement. It will be just fellows in the hills like Robin Hood, who occasionally come down and carry off somebody for ransom.

This is what happened after the Greek war of independence. The situation is very similar to what happened in the 1820's. The Turks devastated the entire country and when the great powers finally intervened on the side of the Greeks and Greece was recognized as a sovereign nation in 1832, what was left was a lot of destroyed villages and a lot of fellows who had gone to the mountains fleeing the Turks and afterward stayed on in the mountains preying on the Greek inhabitants. They were cleared out, finally, in 1935. It lasted 100 years. But they were not an organized political movement for this subversive state. It was sort of good clean fun compared with this type of bandit.

#### DESIRE FOR RETURN OF MONARCHY

The CHAIRMAN. You stopped your narrative short of the arrival of the King. Will you go into that for a minute?

Ambassador MACVEAGH. Yes; I will be glad to. Where were we? I was getting this movement up, and the danger of this movement being supported from outside.

The King, in this whole business, is a holdover from the old regime of revolutions and political struggles in Greece that I was describing. He does not really figure in this struggle at all, except as a figurehead for the people who are afraid of communism.

When I was last in Greece, before the war, I stayed there 6 weeks while the Germans were in Athens. I did not go out with the Government. During that time the leaders of the Greek people, the old, senior statesmen and so on, as well as the younger politicians, used to come around to my house. They could talk in my house without fear of the Germans, so we had many political talks about the fate of Greece if we won the war and so on and so forth. And they uniformly, both old Royalists and old Venizelists, begged me, and said, "You see to it that America does not let the British bring this King back, because we have had enough of him. He has been unlucky."

The Greeks do not like unlucky people. "They have run out on us two or three times. We don't want them back."



Now, when I came back to Greece this time, what did I find? I found practically every one of those people and their followers are for the King. They have forgotten what they said before. Why is that?

It is because of the attempted Communist revolution in 1944, which was only thrown back by the help of the British troops, and they vote for the King as a sort of, well, feeling that it is better to have a King than to have Zachariades, the head of the Communist Party. They have swung over to the King.

That does not mean to say that if Greece ever gets her tranquility back and her ability to get back to her old political life they will not banish the King again. I have every expectation that that will happen, because that is the nature of the beast. That is the way the Greeks are made. They will not accept a perpetual regime. It has to be something new all the time.

Senator LODGE. The Communists have caused the anti-Communists to unite?

Ambassador MACVEAGH. They caused them to unite so far as voting for the King was concerned. The King benefited himself from a certain situation, but he very likely, being the kind of King he is—not a popular person—is bound, as time goes on, to lose that popularity he now has, in my opinion.

#### KING INSULTED FOR ROLE

I like the King. He is a very good man, but he is not a public man. All these little Balkan countries are the same. Greece is like a great big village. Greece is not like the United States. You cannot think about a country like that in terms that seems to work here. Greece is like a great big Near Eastern village, and the head man has to be the head man of the village. Everybody has to feel he knows him and that the head man thinks about his problems and likes him, and the King should go out, as his grandfather did, who reigned successfully for 60 years, and sit around with the old men and pat the babies on the head.

He never does that kind of thing. He regards himself as a constitutional monarch on the pattern of the King of England and sits in his palace and never sees his people. For that reason he cannot win unless he changes his entire attitude. For the time being he is a sort of standardbearer: even though he may be an immobile standardbearer, he stands there and holds the flag of the Greek nation against the threat of foreign and Communist domination, because it is mixed up with Slavo-Communist domination. That is what they are afraid of. They are, as I have said, in a state of fear which prevents them from reacting normally. If you take a rabbit and have him in a cage and you are trying to do something with him to bring up his metabolism, and you put a snake in the cage right next to him, you are not going to get any reactions out of your rabbit that are normal. You can give him all the shots in the arm you like, but he will not respond. He is overcome with fear, and that is what is going on here.

#### AID VALUELESS IF CONTINUED PRESSURE FROM NORTH

If we can get tranquility back there, we can remove, through this United Nations thing which I have a hope will gradually cut the infiltration and make these fellows cease pressing in on Greece, that fear, and also break up this bandit movement so it is no longer a

coordinated and powerful assault against the state. Then you will get the Greek people to go back to work a little bit, relieved of this fear, and our economic help can be of value. Otherwise it will not be of value, and will just be lost.

Senator SMITH. What percentage of the whole Greek population would this Communist group be? They refrained from voting. If that percentage was very large, it might have had a different effect.

Ambassador MACVEAGH. It was not very large. It was about 9.3 percent of the electorate that abstained. Suppose that is low; suppose you allowed it to be 15 percent. They would have had a voting strength in the Parliament of about 25 deputies out of 342. But it is so well organized.

Let me tell you that the best organizers in Greece, and the best men, are the heads of the Communist movement, the most vital fellows in the country. That is the sad part of it. These fellows over there now are trying to make bricks without straw, but you have to go ahead and make the bricks or you are going to lose the country.

The CHAIRMAN. What do these men do when we move in?

#### DISSOLUTION OF COMMUNIST ORGANIZATION

Ambassador MACVEAGH. I think the head men will go back across the border. The weaker members, the chaps who have been organized by them, the general rank and file of the bandits, will come in and say, "Oh, we give it up." But hundreds of them, perhaps, will still remain bandits in the inaccessible mountains of Greece for a good many years to come, but you can turn them over to the gendarmerie and the country police.

Senator CONNALLY. Has there been any perceptible change since this Commission went over there? Have any of these fellows taken to the woods and gotten out of the way?

Ambassador MACVEAGH. No. They are so well organized and so well equipped now that there is no particular change in the actual operations of the fellows in the mountains, but there has been a considerable change in their mode of supply. When the Commission went up to Salonika and began looking around, you see, our information is that the supply routes and traffic back and forth between Yugoslavia and Greece ceased. It was practically gone. But it has moved away over to the end of the Bulgarian border, away over next to the Turkish border.

On Miller's map, which he showed me, this is the place here. The infiltration of this area, while these fellows have been there, has ceased, and this one has become much stronger, and this is where there has been far less observation than over here, and this is where the stuff is coming in now.

Senator SMITH. That is Thrace, that area?

Ambassador MACVEAGH. Yes, that little hook on the Turkish-Bulgarian border. The main pressure comes from here and around through Bulgaria, which allows it to pass through, and then it infiltrates in this direction. That was a change of tactics they had to make, and they did that. If the Commission arrives at the kind of solution we hope, there will be, naturally, observers all along the border as a regular thing. There should be that between states of that kind, to report any violation that comes up and bring it into the open. The only thing you can



do is to have it public, and if it is public you have a chance of beating it. So long as you let it go on secretly it will go on more and more.

The CHAIRMAN. If the Border Commission's report is clean-cut and the United Nations takes action on it, I suppose with the opposition in the United Nations and in the Commission of the Soviet and its satellites, is it possible, in your opinion, that enough can be done to substantially immunize this border?

#### COMMUNIST PRESSURE MAY BE APPLIED ELSEWHERE

Ambassador MACVEAGH. Yes, I think so. I think so. I think one of the things that will happen on this thing is that the orders will be changed from above. If the orders are changed from Moscow as to where their efforts are to be made along their frontiers, that is all that is necessary for these boys down here. They say, "Well, this hasn't worked; just let up on this. There is no use in our carrying on because it is costly. It is not going to get anywhere." They will drop it and put their pressure somewhere else.

The CHAIRMAN. Where do you mean by "somewhere else"?

Ambassador MACVEAGH. The thing that I used to tell President Roosevelt about when I was in Cairo was the "critical crescent." It went from Afghanistan to Finland, and along that crescent the Soviet has bulged and bulged and bulged. All the Balkan states are gone and a large part of Poland is gone. Rumania is gone. They tried Azerbaijan; they may try Afghanistan. Who knows? There is an expansionist movement there, undoubtedly. Any empire that bases itself on revolution always has expansionist tendencies.

The CHAIRMAN. Then one might infer from your analysis that all we succeed in doing is transferring the point of trouble.

Ambassador MACVEAGH. I think very likely. I have no doubt. But then there are different ways of answering the troubles. A firm show that this is not a soft spot, that this is a place where you can not go and ingest every bit of contiguous territory that you see—"This is finished: you can't do this," then you try some other places. But the cure in another place may not be the same cure as it is here. I think you have to take a firm stand everywhere. It will not necessarily mean that you will have to step in and put billions of dollars into India or anything like that. There are other means of convincing them that we are serious.

Senator CONNALLY. If we do not do this, and they are successful in Greece, they will be more successful as they go on.

Ambassador MACVEAGH. The appetite grows with eating.

The CHAIRMAN. We are confronted, ourselves, with the fundamental fact that if we desert the President of the United States at the moment we cease to have any influence in the world forever.

Ambassador MACVEAGH. I am afraid that is true. It is awfully serious.

Senator CONNALLY. Do you regard this election as having been a fairly decent election?

Ambassador MACVEAGH. There was a plebiscite for the King and there was the election for the political parties, which came first, and we observed both of them, and then both of them came out about the same way. As I was saying, you can not compare this country

here with a Near Eastern country like Greece. It was a pretty good election.

The CHAIRMAN. Suppose we hear Mr. Wilson now, for a little while; if the committee is willing, I suggest that we sit until 1 o'clock today. I will go up and get permission, and then, after we have heard from Ambassador Wilson, we can put the two stories under examination.

Senator CONNALLY. Mr. MacVeagh, who is the strong man in Greece?

Ambassador MACVEAGH. Mr. Zachariades, head of the Communist Party.

Senator CONNALLY. I mean on our side.

#### DEARTH OF STRONG GREEK LEADERSHIP

Ambassador MACVEAGH. I wish there were some, but they are all fellows who have come back heading these destroyed parties, trying to build up the political life of Greece. That was one of the troubles, sir. The dictatorship allowed no young men to come up as leaders—5 years of war and 4 years of dictation, so you have no young men coming up. The old fellows are going out.

Senator CONNALLY. What happened to John Stefanopoulos? He was the old Premier.

Ambassador MACVEAGH. Stefanopoulos, who has been over here? He was not Prime Minister. He was Foreign Minister. He is playing quite an ambitious game. He sort of figured that the Communist-controlled E. A. M. movement was bound to win, and he has more and more put himself on their side. I think it is largely from ambition and he jumped on the wrong horse. He is very much of a lightweight in politics. He has no party.

The CHAIRMAN. He came to see me, and his plea was for a coalition government that took everybody in, which of course would mean destruction from within.

Ambassador MACVEAGH. That is what they want. They want to get the fellows in and get the key ministries in their hands. He has no political following whatsoever, so he has allied himself hoping to ride in on the victory of this movement.

The CHAIRMAN. Now, Mr. Ambassador, will you give us a little story about the Turkish factor in this situation?

#### STATEMENT OF HON. EDWIN C. WILSON, AMERICAN AMBASSADOR TO TURKEY

##### TURKISH INDEPENDENCE VITAL TO U.S. INTEREST

Ambassador WILSON. Mr. Chairman, in the nearly 2 years that I have been in Turkey I have come to the conviction that the maintenance of an independent position by Turkey is a question of vital interest to our own country, and I will tell you why I think so.

Turkey is the only independent country on the borders of the Soviet Union from the Baltic to the Black Sea. If Turkey should be allowed to fall under Soviet domination, either through breaking down the regime through outside pressure or through an act of overt aggression against the country, you then have the Soviet borders running

through Syria to Iraq and coming well along the western frontiers of Iran. You have the Soviet Union then in a position where it seems to me it would be more than you could ask human nature, certainly Soviet human nature, to resist the temptation to push on. There is nothing between them, then, and the Persian Gulf, Suez Canal, on out to the East—Afghanistan, India, and China.

So for that reason it seems to me that it is vitally important from our point of view to give assistance to the Turks to maintain their independent position there.

#### COUNTRY INTERNALLY STABLE

Turkey is a good risk today. They have been in this business a long time, standing up against Russian designs on their territory. Since the time of Peter the Great, say about 1699–1700, they have fought 10 wars against Russia, one about every 25 years. They have lost, most of the time. They have given up territory frequently as a result of losing the wars. But never once have they voluntarily ceded territory, and they do not intend to today.

There is very little communism in Turkey. They are keenly aware of the danger. They are united. I say united: today there is an opposition party in Turkey. There has been a very interesting movement toward the western type of liberal democracy in Turkey which I would like to tell you about a little later, and the opposition party in Turkey is just as firm in its attitude as the People's Party, the majority party in the country, in its opposition to the Soviet demands.

The CHAIRMAN. Have you any underground movement comparable to the thing the Ambassador described in Greece?

Ambassador WILSON. Fortunately not. Turkey has a clean situation that way. They have not allowed these fellows to come in and mess up inside the house. They have kept it clean.

Of the Turkish population, about 80 percent is peasant. They live on the land. Communism does not appeal to them. And the people in power, the governing elements in the country, know communism for what it is, because at the close of the First World War, when Turkey was trying to save something out of the debacle of the Ottoman Empire, Turkey and Russia at that time were the pariahs of the world. They were both outcasts, so they worked together for some little while, so the Turks came to know the Russians and what the aims of the Russians are very well, so they are on the alert.

In Turkey the financial position of the country is quite good. You might ask, Why should we aid Turkey? Turkey has a gold reserve of something over 660 million lira. That is, roughly, about \$230 million or \$235 million. That provides a cover of about 70 percent for their note issue. They, of course, do not need that much. But the Finance Minister in Turkey believes they need a cover of about 35 percent. That would be about half of this gold reserve. The balance the Turks feel is required for any emergency that may come up, as a war chest.

They have built up that favorable financial position at the cost of the general economy of the country. Instead of plowing back into the country their reserves for needed economic development they have saved it, and they have done it because Turkey has been mobilized ever since 1939.



First, Turkey was under German pressure to allow German troops to come through Turkey, first to help Rommel in North Africa and later, after the Nazis attacked Russia in June 1941, under German pressure to permit their troops to come through Turkey and take the Russians in the back in the Caucasus. The Turks resisted the pressure.

Senator CONNALLY. They refused the privilege?

Ambassador WILSON. They refused absolutely. I have been up into Turkey and Thrace, along the Bulgarian border. The road there, the one highway, still has roadblocks along it, zigzags with concrete fortifications put up to prevent tanks from coming through. They blew up the bridge over the Maritsa River at one stage when they felt the Germans were coming in. They were fully prepared to defend themselves against the Germans coming in.

After the Nazi attack on the Soviets in June 1941, when the Turks resisted the further Nazi pressure to be allowed to go through and get the Russians from the rear, Soviet Russia was very grateful to the Turks for their attitude, for their position at that time. In fact, early in 1943 the Soviet Ambassador in Ankara, under the instructions of his Government, expressed very warm gratitude to the Turkish Government for the neutrality they had maintained.

As soon, however, as the pressure on the Soviets began to lessen and the Germans were being driven back, the attitude of Soviet Russia toward Turkey changed immediately and changed fundamentally. There were again indications of Soviet displeasure with Turkey, particularly because Turkey had at the outset of the war, in October 1939, made a treaty of alliance with Britain and France. Indications of Soviet displeasure became apparent, so when the war ended the Turks found it impossible to demobilize. They found themselves under pressure from the Russians, and in their own interest they felt it necessary to keep a very large standing army in being.

#### PRESSURE FROM SOVIET UNION

That situation has gone on. Soviet pressure is becoming intensified. The latest phase of it began in 1945. In March of 1945 the Soviet Government denounced its treaty of friendship with Turkey, which had been in effect since 1925. I might say parenthetically that the Turks realize perfectly well that in the long run if they are to be relieved of this pressure and have any hope of an opportunity of developing their country in peaceable stability they have got to have good relations with Russia. They then sought means to negotiate a new treaty of friendship with Russia. They had their Ambassador in Moscow in June of 1945 inquire of Molotov what could be done to negotiate a new treaty of friendship, and to get their relations with Russia on a proper basis.

Molotov replied in effect, as understood by the Turks, that there were two conditions precedent to any new treaty of friendship between the two countries. Those were, first, the cession of Turkish territory in eastern Anatolia; and secondly, the granting of military bases to Russia in the Straits area.



The Turks refused that flatly and declined to carry on any conversations on that basis at all, because they understood that as meaning the end of Turkish independence if they grant any such demands.

Since that time the Soviets have maintained their pressure on Turkey by a constant bombarding of official radio, Moscow radio, to Turkey, which has criticized Turkey for a number of things. Recently the theme has been that Turkey is betraying the principles of Attaturk, one of the principal ones of which was to free Turkey of the foreign domination and control that had been in effect during the latter half of the 19th century under the Ottoman Empire of Abdul Hamid: that the Turkish Government was selling the country and the people out to imperialistic capitalistic United States and Great Britain.

I get the transcript of those broadcasts. I get them in translation. I see a great many of them. It is a constant incitement to the people of Turkey to rise up against their government and overthrow it, and to come to an understanding with their great friends in Soviet Russia.

In addition to that sort of pressure there have at different intervals been efforts to keep the Turks' nerves on edge by troop movements along the border in Bulgaria, by troop movements in Caucasus, by rumors that are planted in the coffee houses in Istanbul that the United States and Great Britain do not mean what they say; they will never come to Turkey's aid; that suddenly an air attack may come from the Russian side, and things of that sort. The last time when that sort of campaign was put on in force was last October, when there were troop movements along the Bulgarian frontier and the Turkish general staff at that time was very seriously concerned, and felt they might really have to face a movement over the border.

(Discussion was off the record.)

#### COST OF STANDING ARMY HIGH

Ambassador WILSON. The necessity of maintaining what is for Turkey a very large standing army is proving a very serious burden on the economy of the country. The cost of living in Turkey today is about 400 percent of what it was in 1938 or 1939. I noticed in one of the documents that is in this binder that the figures give it about 300 or a little above. Those are taken from official indices in Turkey. They are not very complete, and I think they are slightly unreal, because there is rent control in Turkey and they figure house rents at 100, the same as they were in 1938. As a matter of fact, they are four or five times as high now. New people coming out to live cannot get an apartment without paying a certain amount on the side, and they have to pay a great deal more than the official list says. That is the only way you can get a lease there.

That simply means the actual cost of living runs up to about 400 percent as well. That affects the Turks as well. Their salaries and wages have gone up very little. The Government recently increased the wages of Government employees, but they can not do it very much if they do not want to get their budget out of balance. So increasingly you have this strain on the Turkish economy.

I, of course, am not in the secrets of the Kremlin. I do not know what Russian long-term policy against Turkey is, but for whatever it is worth, here is the way I dope the thing out.

In June 1945, the Soviets put on this pressure on Turkey. They tried to break them down. They tried to get them to give way so that they could change their government, get a government in Turkey that would be friendly to the Soviets, set up a stooge type of government there. They did not get anywhere with it. They tried that periodically since, again and again. It has failed. So that the Russians turned their attention to Greece. There they have an easier operation. They have friends in the country, as Ambassador MacVeagh has just been explaining. They have people along the borders; they have elements to work with which they lack in Turkey.

I should think that their plan for Turkey would be to keep up this pressure, oblige the Turks to maintain a very large standing army, neglect the economic development of their country, hoping that in the long run the pressure would be so great and the people would become so discouraged that they would finally say, "Hell, what's the use? Let's come to the best terms we can with these fellows."

For that reason it seems to me the Turks, recognizing that the maintenance of that situation out there is of direct interest to us, have need, morally and materially, of getting some definite indication of support by the United States for their position, and of getting aid that is going to enable them to carry this situation on.

I might say again, expressing my personal view in this, that I believe that if we can keep the Turkish situation healthy, maintain them in their independence, in their position as they are today, if we can convince the Russians that we mean business in that area and are not going to permit the expansion of the Soviets beyond where they have gone now, that is the surest way of preventing a world conflict.

I do not know whether you want me to go on with a number of other points that I can develop here or whether you would like to ask me questions, Mr. Chairman.

The CHAIRMAN. I would leave that to the Senators.

Senator SMITH. I would like to ask a question right there. What is troubling me, Mr. Ambassador, is, assuming we give them aid, they have an army now of 500,000—

Ambassador WILSON. It is larger than that now.

Senator SMITH. Even assuming we give them this aid, and the Russians actually made up their minds to go through there, the army would not amount to anything except resistance for a short time, unless we were committed to backing her up all the way through in setting up our own forces to back her up. That is what bothers me with this, in giving military aid to her, because I do not see how you could possibly build a Turkish Army to resist Russia if Russia definitely made up her mind to go through the East or come down across the Black Sea or down from Bulgaria.

Ambassador WILSON. I think there is no question, Senator, that the Turks could not hold out for any length of time. They could hold out for a short time now. If we could assist them in building up a modernized mechanized type of army, to improve their air force, they could hold out a great deal longer. But my point is that if you keep the Turkish situation a healthy one and you can convince the Soviets that the only way they can get their hands on Turkey is by going

across the frontiers, which in the last 30 years that sort of action has provoked two general wars, into both of which the United States was drawn reluctantly at first, but nevertheless drawn—if you can convince the Russians of that, you will have no danger of that situation occurring.

Senator SMITH. In other words, then, it is sort of a moral bluff to Russia?

Ambassador WILSON. I would not say bluff.

#### U.S. AID PALLIATIVE OR SOLUTION

Senator SMITH. Unless we are willing to back it up with something more than just to give them financial aid to hold their military force there. If we are going to meet the Russian situation, it seems to me we have gotten to the place, either through the United Nations or individually, where we have to move in on Russia and say, "What are your designs?", and possibly help Russia get the access to warm water that she desires, without lessening our aid to Turkey—unless you think Russia will hold back then, and, as has been said before, put her interest in some other area on this big crescent, in some other part of the world for a minute, and leave this in abeyance just because we have temporarily bolstered Turkey and made it pretty costly for Russia to come in. It seems to me like a palliative rather than a solution. That is my trouble in the Turkish thing.

Ambassador WILSON. It is my understanding of the way the Russians operate that they go very prudently, very cautiously. They do not take risks. They feel out situations. They find a soft spot; they go in and clean it up and they are there, and you do not get them out very easily. If they run up against determination, against a sound situation with the very evident appearance of backing morally and materially from strong elements in the world, they are going to leave that. They are going somewhere else.

Now, if they leave Turkey and they leave Greece and go somewhere else, that unfortunately is just a condition of the world in which we live today. It is an unhappy world and a dangerous world, as I see it. We did not create it that way. That is the way it is.

#### MATERIAL AGAINST VERBAL SUPPORT

Senator LODGE. Would you get the same effect if you were to declare—if the President and State Department were to declare—that the integrity of Turkey is vital to the interests of the United States—period? Would that not do just as well?

Ambassador WILSON. Senator Lodge, to answer your question, that in itself would not be enough, in my judgment. That, complementary to aid to Turkey now, I think would be very helpful. But suppose that you did that, that you made a statement that the United States would come to the aid of Turkey if she were attacked. In my judgment the Turks would not feel disposed to demobilize their army then. They would still feel that they would have to keep their army in being. After all, the United States is a long ways away. How would we get forces there? How would we operate? Turkey demobilizes. The Russians then call our bluff. Turkey is overrun. I do not believe a responsible Turkish statesman would feel that they could demobilize their armed forces with only a declaration of that sort.



Senator LODGE. That is all we can do, anyway. Take in Germany. The Russians have about 35 divisions and we have less than one division. We have American troops in Germany, but we could not stop them. But the thing that prevents the Russians from coming in is the fear of the American potential. You can threaten them with the American potential by passing a few paragraphs in Washington as well as you can by sending 50 Americans in uniform, can you not?

Senator CONNALLY. Would that not involve a commitment, though, if we made that sort of statement, that if anything did eventuate, we would go in with armed forces, which is not the implication necessary from this bill?

Ambassador WILSON. What I had in mind to say, Senator, is that I do not think that meets the point that we have here.

I think our interest here is to maintain Turkey in a healthy condition. If the Turks feel obliged to keep up a very large standing army with a drain on their economy, eventually, in the long run, you are going to get bad conditions in the country—discontent, discouragement, and very possibly a feeling that they are on the wrong track and that they ought to try to come to some terms with their great neighbor, or something of that sort. In other words, you might get a change brought about internally in Turkey, and right before your eyes, while you were guaranteeing Turkey against an invasion over the frontiers, you would have the situation change and the Soviets would be inside and have control as they now have in Rumania and Bulgaria.

#### ASSISTANCE WOULD BE LIMITED

Senator GEORGE. Mr. Ambassador, does that not commit us to a rather long-time and indefinite extension of aid and assistance?

Ambassador WILSON. Senator, I do not think we have to go on giving aid and assistance to Turkey indefinitely. As I see it, if you can give the Turks aid now in improving and modernizing their armed forces, it would be my hope that they could partially demobilize, that they could get a good many men out of their army so that they could go back to work in the fields, back in the factories where they are very much needed, to increase production.

Also, I think Turkey should go, and the Turkish Government intends to go, to the new bank to get credits for industrial development, for economic projects. Turkey needs very much assistance in improving her transport. The railroads have suffered very much during the war. They need replacement—rails, rolling stock, repair shops, and things of that sort. Turkey has a very valuable asset in a big coal deposit on the Black Sea. With modern machinery Turkey could produce coal for export and get foreign exchange that way. Turkey's agriculture is very antiquated. It could be improved with tractors and modern equipment. So that Turkey in the long run could improve productivity and be earning money with which she could keep up, I should hope, this modernized type of army.

#### RUSSIAN ACCESS TO STRAITS

I would like, if I may, to say one word in connection with what Senator Smith just mentioned, about Russia getting access to warm water.

Russia has complete freedom of passage through the straits now.



Senator SMITH. I understand that.

Ambassador WILSON. There is no obstacle in the way of Russian shipping going through the straits.

Senator SMITH. She is afraid of getting bottled up in case of a war. There is no way to neutralize that area and protect her from that without her running the show. I have always been sympathetic with the Russian eagerness to find some outlet other than through the Baltic, which is frozen up in winter. I think that is a legitimate aspiration, but I wonder sometimes if we do not get a little bit hysterical about those straits getting bottled up.

(Discussion was had off the record.)

Senator SMITH. I am afraid that would be no more effective than the French Maginot line when they get to it. I am very much disturbed about this being a palliative rather than a cure.

Ambassador WILSON. We are not building up the Turkish Army in order to hold up an attack by Russia indefinitely, but by giving Turkey assistance in her military needs now we can take the load off her economy so she can get developed soundly in her economic life to prevent the sort of situation that has taken place in Greece today, to keep the situation healthy: and if we do that, there is no risk of having this armed conflict come about.

#### AID FROM UNITED NATIONS

Senator SMITH. If the Security Council were strong enough to do things of this kind, Turkey would be safer to disband her whole army and go to work. It would be much better insurance than for us to give her temporarily a little aid to build an army that I think would go over night. It seems to me the wrong approach to a situation where we are trying to build collective security for the world. It seems to me this at least is an area where we could expect to get something out of the United Nations, or write it off as a theoretical experiment.

Ambassador WILSON. The record, as one has seen it so far, of action in the Security Council, would not encourage me to believe any very effective support for Turkey could be obtained through the Security Council, with the veto as it has been used by Soviet Russia there at this time.

Senator SMITH. I agree with you, but I feel that channel ought to be moved into at the same time we do anything else.

Senator CONNALLY. As I understand it, Mr. Wilson, your thesis is that if we do give this aid to Turkey, there would not be any Russian attack. My view largely coincides with yours, that their policy is one of caution and pushing in where they find they can move in, but if they know that they are going to be resisted, or think they will be, that they probably would not make a straight-out attack, because they would face the whole world in an aggressive policy that would rob a neighboring nation of its territory or its independence. I do not see any other course.

#### RUSSIA-TURKEY TERRITORIAL DISPUTE

Let me ask you one other question, if Senator Lodge will bear with me. These two provinces that Russia demanded from Turkey—what, if anything, is the historical basis for that claim? Did Russia once own

them, or were they involved in some war with Turkey? What right have they to make such a demand?

Ambassador WILSON. These provinces belonged to the Ottoman Empire from about the 16th century, when they were conquered by the Ottoman Turks, until 1878, when, following the war between Turkey and Russia in 1877-78, those two provinces were ceded to Russia, to be held as collateral, as a pledge for a very large war indemnity that was imposed on Turkey.

The Turks were never able to pay off that indemnity, and those areas stayed with Russia until the Bolshevik Revolution, when, after the Treaty of Brest, Litovsk, the Soviet Government declared that it renounced its rights under the treaties of the Tsarist Empire and returned those areas to Turkey voluntarily.

Senator CONNALLY. And they have remained there?

Ambassador WILSON. They have remained in Turkey's hands.

The Treaty of 1921 between the Soviet Union and Turkey formally turned those areas back to Turkey, where, as I say, they had been from the 16th century down until past the middle of the 19th century.

Senator CONNALLY. That is all.

#### IMMEDIACY OF U.S. AID

Senator LODGE. Mr. Chairman, I would like to get clear in my mind what it is that gives this Turkish situation its emergency, immediate character. Why do we have it now rather than last year. Is there something that has happened in the last 3 months. In the case of Greece we realize that the British are pulling out and that gives it its timeliness. What is it that gives Turkey its timeliness now?

Ambassador WILSON. I should say, Senator, that it was the notification by the British that they will no longer be able to take care of furnishing military equipment to Turkey. In the past, Britain has been doing that. Britain has been extending very considerable armament loans to Turkey. Britain has now informed us that she will not be able to do that any longer. The Turks have a program where they hope to be able to improve and strengthen their army, and where else can they turn for it?

Senator LODGE. Although their economic situation is not so desperate as it is in Greece or in lots of other countries, this is a form of economic aid, is it not? It will relieve them of some military expenditures that they would have to assume otherwise if they were to maintain their army at its present size.

Ambassador WILSON. That is correct, Senator. The dangerous element in the situation would be that they would then go into their gold reserves and get their financial situation into a bad position, because they would feel it essential to use those funds to do it themselves.

Senator LODGE. The British have announced that they were not going to help Greece and they were not going to help Turkey, but apparently they are going to go on with certain activities in other parts of the world. Do you have any theories as to why the British have decided to give up in one place and not to give up in another place?

Ambassador WILSON. I might say that so far as Turkey is concerned, they have a mission of military, air, and naval advisers there.

(Discussion was had off the record.)

Ambassador WILSON. They are prepared, I believe, to continue that mission there.

Senator LODGE. For what purpose?

Ambassador WILSON. Instruction in material that has been furnished by them. They have men there—naval officers, air, artillery, and radar experts.

Senator LODGE. But there has been no military development on the part of the Soviet Union in the last 3 or 4 months that has been particularly startling or different?

Ambassador WILSON. Of course, troops remain along the border. There has been nothing as startling as the situation last October.

Senator CONNALLY. Senator Lodge made the distinction between Turkey and Greece, but on account of the fact that they both occupy a strategical position in that area, according to my view we have to deal with them both. If we simply dealt with Greece it would probably stimulate their pressure on Turkey—it would stimulate the Russian pressure on Turkey—and since the President has come out openly before the world as to the both of them, we could not very well split them up and simply aid Greece and leave Turkey out on a limb. What do you have to say about that?

Ambassador WILSON. Senator, of those three countries that occupy pretty vital positions there—Greece, Turkey, and Iran—Turkey is right in the center. Turkey is in the soundest and healthiest position of any of the three in its resistance to the spread of Soviet Communism. If Turkey should be allowed to go by default and get a Communist regime established within it, and be broken down, I do not see how in God's world you could hold the two countries on the flanks.

Also, here is another aspect of it that strikes me. This program for aid to Greece and Turkey has attracted, of course, tremendous interest throughout the world. There have been reactions, noticeable reactions, in many countries. It has been enthusiastically welcomed in Turkey. If now this should be split up, if Turkey should be put out and aid given to Greece alone, the Turks brought to feel that we believed that they were either a bad risk or that they did not merit support or that we did not care whether they fell under Soviet domination or not, I feel it would have a disastrous effect in that country.

The CHAIRMAN. You probably might just as well not do anything about Greece.

Ambassador WILSON. If you do anything of that sort, you might as well scrap the whole program.

Senator HATCH. We might just as well come home from every place, had we not, for all practical purposes?

Ambassador WILSON. Yes; come home and prepare for the worst, I would say.

Senator LODGE. I am glad you made that so clear. We get a lot of letters that say the Turks are this, the Turks are not that, they were former enemies and did nothing to aid us in the last war, and they mistreated the Armenians, and the case for Turkey has not been made as clear as the case for Greece.

Senator HATCH. It certainly has not.



Senator LODGE. I know what a lot of freshman Senators think. They do not get this Turkey business at all. That is why I asked.

Ambassador WILSON. Am I taking too much time?

Senator HATCH. No.

#### TURKISH SUPPORT OF THE WEST

Ambassador WILSON. May I say a word on those points you mentioned, Senator?

In the first place, as I understand it, what we are doing here is not because we like the color of the eyes of the Turks or the Greeks or anything of that sort. We are doing it because it is in our own interest, and we would do it regardless of what regime was in Turkey or in Greece.

It is, however, much easier, more sympathetic, to give assistance to a country which is trying to do things that appeal to us, that seems to be on the right track, and whose record is a fairly good one.

Well now, I think that a very good case can be made—I am not trying to do any special pleading for Turkey. I went out there knowing nothing about the country. I had never been in the Middle East before. I went out with a certain amount of the prejudice one hears—the Armenian question, the Turkish record during the war. I tried objectively to find out what the facts are there, and I have come to certain conclusions on some of these points.

Let us take, first, the question of Turkey's war record. In the First World War, Turkey was an ally of Germany. They lost disastrously in that war. The Ottoman Empire was liquidated. Only through the efforts of Attaturk and a group he rallied around him in Anatolia were they able to save the heartland of Turkey, the area inhabited purely by Turks without foreign elements of any important size there.

Responsible Turks who were playing a role during that time, and who are now in the Government, told me, and I believe them, that their experience with the Germans during that First World War brought them to realize that if Turkey had been on the winning side with the Germans then, Turkish independence would have disappeared. The domineering attitude of the Germans and the way the Germans took over Turkey and ran it led them to decide that never again were they going in with the Germans.

It is true that after the First World War, particularly after the world economic crisis that set in the early 1930's, Germany and Turkey traded a great deal. Well, Turkey had to find markets for her goods. Turkey needed imports of machinery and capital goods. She could not get them anywhere but in Germany. She traded with Germany.

When the war began to appear imminent in May of 1939, Turkey, instead of leaning toward the German side, made a pact with Britain and France, and lined herself up definitely with the Western Powers, and after the war broke out, in October 1939, Turkey made a treaty of alliance with Britain and France. In other words, she definitely tied herself up with the Western Powers.

Constant pressure as I said a while ago, was put on the Turks during the war by the Nazis to allow them to come through and to utilize Turkish territory against the British, and the Russians [?] refused every single time. As I mentioned a moment ago, the Soviet



Government itself expressed gratitude to the Turks for the value of Turkish neutrality during the war at the very critical time of the Battle of Stalingrad.

Until the end of 1943 no request was made of the Turks that they enter the war on our side. At the conference at Aden in southern Turkey in January of 1943, when Prime Minister Churchill met there with President Inonu of Turkey, Inonu asked him:

Should we prepare to come into this war? Should we begin to get ready? If so, we have to do some planning. We have to get military equipment.

And Churchill said:

No, we are quite satisfied with what you are doing now, because we haven't sufficient equipment to put Turkey in a position where she can hold out against the Germans, and we don't want another case like Poland being overrun and Yugoslavia being overrun.

Again, in about the middle of 1943, the Turkish Government inquired of the British if the situation remained the same, or if they should make any preparations toward coming into the war on the side of the Allies. They were told no, to carry on, "The situation is all right as it is."

(Discussion was off the record.)

#### TURKISH PARTICIPATION IN WORLD WAR II

Ambassador WILSON. At the Tehran Conference early in December of 1943 we know, as published the other day when the report was made public, that there was an agreement that Turkey's entrance into the war would be desirable, and Stalin went out of his way to state that if Turkey, by declaring war on Germany, should be attacked by Bulgaria, Russia would come to the aid of Turkey and attack Bulgaria.

At the Cairo Conference that followed the Tehran Conference, when President Roosevelt and Prime Minister Churchill invited President Inonu to come and talk with them and the Soviets were represented by the Soviet Ambassador in Ankara, a request was made of the Turks that they enter the war. But there were two conditions he felt would be necessary of fulfillment before he would undertake the responsibility of the people and his country into the war. The first was that the Turkish Army be built up so it would have some hope of withstanding a German attack when it came. The Turks lacked guns, they lacked airplanes, they lacked dumps of ammunition, of gas, and so forth. The second condition was that he be informed of the military plan for the employment of the Turkish forces.

President Inonu is a soldier. He was an officer in the Ottoman Army in the First World War. He was the leading Turkish field commander in the Turkish War of Independence from 1919 to 1922. He thinks in military terms. He was quite prepared, he said, to come into the war, but he didn't want to simply declare war and sit there. He wanted to know the mission that the Turkish Armed Forces were to fulfill.

Regarding the first of these conditions or points that he raised, material, the British, of course, had the responsibility for military operations out there. We did not. Turkey received from the British a certain amount of material, but never sufficient to make the Turks feel that they could justifiably take the risk of coming into the war,

and I might add that recently, a few weeks ago, there was published in London the report of Field Marshal Sir Henry Maitland Wilson, Commander of the British forces in the eastern Mediterranean during the war, and there was a section on the negotiations with the Turks, as to why the Turks would not come into the war, and he summed it up by saying, in effect :

There were two reasons the Turks did not come into the war. First, we were unable to furnish them the military equipment they required for their defense; and secondly, the Turks had a great fear of the German aviation, the Luftwaffe, and the reasons for that were that their two principal cities, Istanbul and Smyrna, were largely of wood construction, and would be destroyed immediately by an air attack; and thirdly, their coal business at Zonguidak, on the Black Sea, would be perhaps 45 minutes from the Soviet air bases, and that is the source of all power, railways and electric light plants in Turkey, and that could be destroyed and put out of whack in short order.

Now, on the second point of President Inonu's request for information as to how the Turkish military forces were to be brought into a plan for carrying on operations against the Germans, he never received any reply whatsoever.

Senator WILEY. Mr. Chairman, may I ask a question?

The CHAIRMAN. Yes.

Senator WILEY. I would like to have you put down categorically, as well as you can, why this is all in our self-interest. Everybody has kept off of oil so far.

The CHAIRMAN. Excuse me, Senator.

Have you finished your answer to the other question, Mr. Ambassador? You do not mind if he finishes that answer?

Ambassador WILSON. There is just one tag end I would like to put on that question of the Turkish attitude during the war, and that is that Field Marshal Wilson's report also details a number of instances where the Turks, although nominally neutral, gave considerable aid to the allied forces during the war. They permitted the British to bring in aviation technicians in civilian dress in considerable number. They permitted the British to prepare and construct a number of airfields in Turkey from which the British would be able to operate later if the need arose. They permitted the British to create dumps of aviation gasoline and of bombs in Turkey.

They also assisted the British by carrying, in small Turkish vessels, supplies to the islands of Chios and Samos when the British were trying to hold out in those islands. And after the British were driven out, they evacuated a great many of the British soldiers and wounded in their own ships, and took them into Turkey and put the wounded into hospitals and looked out for them there. So they gave, within the limits of what they could and maintain their apparent neutrality vis-a-vis the Germans, a very considerable measure of assistance to the Allied cause during that period.

That is all I wanted to say on this question of their record during the war. Some point was made of the Armenian question. If that is of interest, I will go into it.

#### TURKISH-GERMAN COOPERATION UNTRUE

Senator SMITH. There are stories that just before the battle of Stalingrad, when it looked as though the Germans were going to take it, the Turks were about to go in on the German side, when they

learned from Von Papen that the city had not fallen. Do you think there is anything to that story?

Ambassador WILSON. My judgment is that there is nothing to it for the reason that I mentioned earlier, that the Turks had been with the Germans before, they knew them very well, and they were very certain they would not get into that position again.

Senator HATCH. We have been told by some witness that they got word that Stalingrad had fallen, and were ready to declare war on Russia when Von Papen himself told them that rumor was untrue, but they were ready to declare war at that time.

Ambassador WILSON. My judgment, Senator, is that it is totally incorrect. I have seen transcripts of reports of Von Papen to his government in which he stated that hopes of bringing Turkey into the war on the side of Germany might just as well be given up, that the most they could hope for was to keep Turkey neutral, and it does not seem to me that if, as a matter of commonsense, the Turks had permitted British aviation technicians to come in and had them in the country, and had British airfields there and were acting in support of Britain, when the President himself declared, in December of 1943, that he was prepared to come into the war on the side of the British—it just does not make sense to me.

#### PUBLICATION OF AMBASSADORS' TESTIMONIES

The CHAIRMAN. Is that information public property, Mr. Ambassador?

Ambassador WILSON. How much of it, Senator?

The CHAIRMAN. Your story about the concealed cooperation which Turkey gave Britain during the war.

Ambassador WILSON. That can be made available. That is in the report of Field Marshal Wilson.

Senator HATCH. It is not generally published in this country.

The CHAIRMAN. It is all news to me, and it puts a totally different climate into that phase of the picture.

Ambassador WILSON. It would be quite in order to make excerpts from that report available.

The CHAIRMAN. When we have finished, I would like to send the transcript of both of the Ambassadors' testimonies to them immediately, and I would like to have them edit their testimony as liberally as possible so that we can print as much of their testimony as they think is appropriate in connection with our complete hearings, because I think the information we have had this morning is the sort of thing that many Senators are yearning for.

Senator LODGE. There is no question about it.

The CHAIRMAN. So if you will be good enough to properly edit your testimony after we send it to you, we will appreciate it. I think the exhibit you have just submitted is of tremendous importance.

Senator Wiley wants, as he says, a statement—1, 2, 3, 4—as to what you mean when you say that it is to our self-interest to do the thing which is contemplated.

(Discussion was had off the record.)

The CHAIRMAN. If Senator Wiley were here, I am sure he would now ask you this question: An answer of that candor can scarcely be made public in those terms, can it?

Ambassador WILSON. Senator, so far as I personally am concerned, I should not mind at all if it were made public. However, I am an official of the Government. I think it might prove embarrassing to our Government, it might prove embarrassing to the Turkish Government, if I were to go back there as our representative there, to have that statement made public.

The CHAIRMAN. I think that is true, and I do not think it ought even to be in our record, because you have been so frank about it.

In my view you have told the exact truth. Yet it is not a statement we can circulate.

#### STATEMENT OF U.S. SELF-INTEREST

Now we are down to the question, what reason can you give the American people publicly to identify our self-interest in this program?

Ambassador WILSON. The first thing that would come into my mind, Senator, would be that we are pledged to the support of the principles of the United Nations, to support of the independence of small countries and of their right then to choose their own way of life. And here we have a case where a small country has been subjected to considerable pressure, and we feel that in accordance with our obligations it is incumbent upon us to give encouragement and support to these countries to maintain their independence against any efforts from outside to destroy or weaken or break down that independent position.

The CHAIRMAN. Why does that involve ourselves? Suppose you think that over.

Ambassador WILSON. I would like to think that over, Senator, because the answer, as I stated it frankly a moment ago, is so clear I do not know how far one could go in stating what are the facts publicly.

The CHAIRMAN. I suggest that when you get the transcript we will leave a blank for you to answer that question, because it is a question that has got to be answered, and we have got to know how far we can go in answering it.

(Insert further comment when available.)

(Discussion was had off the record.)

#### ISSUE OF U.N. PROTECTION OF TURKEY

Senator SMITH. I am very much interested in your personal view, because of your experience in Turkey. I have been in Turkey and I can corroborate everything you say, from personal experience. I was there with the Hines mission, and so I know something about Turkey, and I still want to convince myself here that we have not got an outstanding case where an area of the world threatens the future peace of the world and we should put our strength behind the United Nations, knowing about that and recognizing it and making it a United Nations policy, even at the risk of having an affront to Russia by the United Nations. I think that is more important than for us to get into a unilateral position where we are practically making a unilateral alliance with Turkey, saying to Russia, "You have misbehaved, and we will back Turkey up ourselves."

Senator CONNALLY. If there should be a Russian attack, then UNO would be authorized to step in.



Senator SMITH. I think it is section 32 [34?] of the United Nations Charter that refers to where there is an area of the world that looks as though it might be a scene of future difficulty, and the fact that Russia has made these demands on Turkey before she will enter into an agreement of friendship is something we should frankly say to them that here is something about which we are troubled, and we think the United Nations ought to have a policy to protect these countries that want to protect their independence. I am concerned with the unilateral Truman doctrine idea.

Ambassador WILSON. Do you want my views, my personal views?

Senator SMITH. Yes. You may leave it off the record if you want to.

Ambassador WILSON. I do not care about its being off the record.

As I see it, in the first place let me say that I agree 100 percent with you, Senator, that we should support the United Nations and build it up in every way we possibly can. I was one of our representatives at the Dumbarton Oaks Conference, when we worked on the preparation of this, and I feel very deeply about the strengthening of the United Nations. I feel so deeply about it that I would not want to see the United Nations at this stage loaded with a problem which in my judgment would tend to weaken the United Nations today rather than strengthen it.

We have had how many—10, I think—examples of Soviet veto against any effective action by the United Nations. We know what the Soviets are after in the case of Turkey. There is no question about it. I cannot conceive that if we go to the United Nations with a request for assistance for Turkey that the Soviet representative is going to say, "Yes, I will go along with you." He is going to block it in any way he possibly can.

That would be such a blow, in my judgment, to the people in Turkey who have been standing up for 8 years against this oppression, it would be such an indication that the United States, instead of facing up frankly to its responsibilities in this world today was trying to get around it and to pull a Munich by hiding behind something else, that I think it would discourage tremendously, and weaken the will to resist of the Turkish people.

Senator SMITH. I do not agree with you on that. It seems to me you have a perfect alibi for these people who desire to take action if there is a veto or some stickiness there. Then we have a perfect reason for taking our own action. We have done all we could to have this machinery work, but even if it does not work we are going to take our position just the same.

Of course, I realize there is no issue immediately that goes to the Council as a threat of war except in, you might say, the nebulous sense. We know there is a threat of war, but we do not like to say so openly.

Ambassador WILSON. Senator, there is nothing in the charter, so far as I know, that prevents two or more nations from making arrangements to help each other and work along the lines of the principles and ideals of the charter, which is all I can see we are trying to do in this case. We are trying to strengthen one of the principles of the charter, which is that the United Nations are composed of sovereign and independent and stable nations. We are trying to help Turkey to be just that.

Now, there is another angle to it, it strikes me. I have often wondered whether it would be advisable for the Turks, or whether in my talks with them I should suggest to them that perhaps they should bring this thing before the United Nations. I am convinced it would be a mistake. The Turks believe that in the long run their only hope of stability and getting this pressure from Russia off their backs is going to be to work out some satisfactory relation with their great neighbor to the north. If we should raise this thing before the Security Council now, I think we would embitter the relations between Turkey and Russia so much more than they are at present that we would set back indefinitely any possibility of working out a satisfactory solution.

#### CONSEQUENCES OF U.S. REFUSAL TO ASSIST

Senator BARKLEY. Let me ask you this in connection with that very thing. I would like to have your personal view as to the reaction that would result. Suppose that the United Nations were equipped now with the authority and with the funds to do what we are proposing, and that it was brought to the Security Council, and that after debate, deliberation, and controversy the Soviet delegation would veto it. That would probably be several months hence. In the meantime the situation might have grown worse, both in Greece and Turkey.

Then, because of the veto or our inability to get the United Nations to take action, or its unwillingness or its impotence to take action we were then forced to do what we are now. What would be the reaction in the Mediterranean region and in the world to our position as it would then exist, having gone in a roundabout way to avoid this responsibility by putting it upon the shoulders of the United Nations, which could not accept it for any reason, whether the veto or otherwise? Where would we be then in the estimation not only of the Mediterranean region but of the world at large, in your mind? Would it strengthen or weaken our position?

Ambassador WILSON. It seems to me that we would be doing a disservice to the United Nations. We would be going in and then doing something which the United Nations was not in agreement should be done. We would be doing it unilaterally.

Senator BARKLEY. And we would be doing it against the verdict of the United Nations, which had passed upon it, no matter whether their verdict came about through impotence or failure to act or inability to act by unanimous vote. That phase of it is important, as affecting the moral standards and the standing that we will necessarily occupy in the opinion of the world in this whole enterprise.

It is not anything we want to do; it is not anything we will relish. It is not anything we go out to seek. But it is a situation that has been brought to our attention by these governments.

Senator HICKENLOOPER. Would we not actually be committing an illegal act if we submitted it to the United Nations and then refused or failed to abide by their action?

Senator BARKLEY. That is right, Senator. If we go to the United Nations and they decline to act for any reason, we might put ourselves in the position of being a moral violator, at least, if not a legal violator,

of the very thing we proposed and had not succeeded in bringing about. There are very serious implications.

Let me ask you this further question. Either course we pursue involves risks, does it not? To do what we are asked to do does involve a risk. We might as well recognize it. Not to do it at all involves a risk also, based upon what you and Ambassador MacVeagh have stated. Which, in your judgment, is the greatest risk so far as physical involvement in any conflict may be concerned in the future?

The CHAIRMAN. You mean the greatest risk to us?

Senator BARKLEY. That is what I am talking about.

Ambassador WILSON. Senator, I have no hesitation in saying that I feel the vastly greater risk would be to do nothing rather than to go ahead and take our responsibilities, face up to them, and do something.

(Discussion was had off the record.)

Senator CONNALLY. Fundamentally the Turks are pretty good fighters, are they not—good soldiers if they are equipped and trained?

Ambassador WILSON. All high military people I have come in contact with say that the Turk is an excellent fighter and his morale is good today. He is a particularly good defensive fighter.

The CHAIRMAN. They showed that at the Dardanelles during World War I.

Ambassador WILSON. I think the British would testify to that.

#### BRITISH AID TO TURKEY AND GREECE

The CHAIRMAN. I want to ask Ambassador MacVeagh precisely what is meant in the British note when it says it is withdrawing its support and contribution to Greece on March 31. Precisely what is it that is being withdrawn?

Ambassador MACVEAGH. That is the payment of their military expenditures for the upkeep of the army.

The CHAIRMAN. How much does that amount to?

Ambassador MACVEAGH. That I do not know.

The CHAIRMAN. Would you mind putting that in the record?

Ambassador MACVEAGH. It is already stated in various economic reports.

The CHAIRMAN. I have not seen the figures.

Senator BARKLEY. Just this question, Mr. MacVeagh. Have the British made any contribution toward the economic reconstruction of Greece by food?

Ambassador MACVEAGH. They have made their contribution to UNRRA.

Senator BARKLEY. Up to now UNRRA has done all of that and they made no separate contribution.

(Discussion was off the record.)

Senator CONNALLY. What you have said here is all true. If we made a straight loan to Turkey, say, and said nothing about relief or military assistance or anything else, she would be able to use it for an army or anything else, could she not?

Ambassador WILSON. That is correct, Senator, except that I should hate to see that changed to a loan.

Senator CONNALLY. I do not want to change it. I am standing by the bill.

Ambassador WILSON. A nonproductive obligation incurring that amount for military armament that would have to be paid back over a period of years would be a very heavy burden on the Turkish economy. That we want to avoid. I think anything of an economic nature that will increase Turkey's wealth and create foreign exchange Turkey should repay, and they are perfectly prepared to do it.

Ambassador MACVEAGH. It is my understanding that the amount that the British have been contributing that they intend to cut off toward the support of the Greek Army is in the neighborhood of 2 million pounds a month, and it is that sum that they have recently given indications they cannot continue to extend except on a temporary basis for a few months more while this proposition is being considered over here.

The CHAIRMAN. That is \$8 million, in round numbers, and the amount of our program allocated to military purposes is just about the equivalent of that over the period involved.

Senator BARKLEY. That is practically \$100 million a year that they are giving, and our \$150 million would cover 15 to 18 months.

#### EFFECT OF U.S. AID TO GREECE

Senator CONNALLY. This question is more or less of a general nature. Mr. MacVeagh. If we grant this aid to Greece, do you or do you not think that it would be a rallying point toward the unification to a certain extent of the Greek elements? In other words, would the ones that were sitting on the fence, wobbling, knowing that it was going to get this relief, be inclined to come to its support?

Ambassador MACVEAGH. More than that. The psychological value of the relief coming from the United States, which is so great, would do more to throw the people together than anything else.

Senator CONNALLY. That is what I had in mind—if it would tend to rally them to a united Greece.

Ambassador MACVEAGH. The same amount of money coming from the British would not have the same effect. They do not have any more trust in the British and they do not feel they have had sufficient attention. They have a long series of memories of things attempted to be done with too little means and never being finished, and they have no more, I am sorry to say, trust in the British ability to carry anything out. They have that for us now. God help us when we try to put it through. We have to put it through right.

(Discussion was off the record.)

#### U.S. ASSISTANCE IS LEGITIMATE SELF-INTEREST

Senator WILEY. As I see it, Mr. Ambassador, we feel that in our own self-interest—and I want that amplified on the record—we are going to do what will benefit our self-interest. In other words, we are going all out to stop Russia at the Bosphorus, and stop communism. Yet we had a former Ambassador, Kennedy, who said, "Let communism go. It will wear itself out," or what not. There you have two ideas clashing. That is what you have in America today. You have two Ambassadors clashing here, Kennedy and you, on that theory.



I could not help but be very much impressed the other day by former Mayor LaGuardia, when he told very dramatically how once we put ourselves into the Balkans, what it means in years, in lives, and in expenditures. He said it was like the old Irish tale of a man coming around a corner in Dublin and seeing a man and woman fighting. He interfered, and they turned on him and licked hell out of him. The Balkans are a family of nations. They fight among themselves, probably. To me this is such a tremendous change in our policy that I want to be very clear in my own thinking, and that is why I asked you, sir, to put them down, as many as you can, and show that it is to the self-interest of our own country that we take this very important step.

We say it is only a loan, as Senator Connally says.

Senator CONNALLY. I did not say that.

Senator WILEY. The world does not interpret it that way. The world interprets it as our interfering deliberately in the Near East, and we can only justify that on good, sound self-interest.

Ambassador MACVEAGH. I think they are good sound grounds.

Senator LODGE. And you do not think they are going to play both sides of the street and play the Russians off against us?

Ambassador MACVEAGH. We in Greece are right up against these fellows, and just for your interest I will read you a few lines of Mr. Stalin's own statement made 20 years ago. People do not seem to read what Mr. Stalin says. Here it is:

The essential task of the victorious revolution in one country is to develop and support the revolution in others, so the victorious revolution in a victorious country ought not consider itself as a victory self-contained, but as a means of hastening the victory in another country.

What is going on in Greece now is the efforts of the successful revolution in the bordering countries to bring about a successful revolution in the next country. When that is successful in the next country, it is the doctrine of international communism to breed into the next country as it goes along. The same line has to be drawn, and Greece and Turkey are a strategic line. If they break that down, the whole Near East falls and they pick the lock of world dominion. Every one of these revolutionists has been turned back in the Near East. Hitler was turned back at El Alemain: the fellow before him, the Kaiser, was turned back at Jerusalem. They always go down to that region. If they ever go through that area, we will have to fight our battle against this spreading movement somewhere along another line further back—Dakar or Casablanca. That is where our interest comes in, not in the beautiful hills of Greece. In our own interests the thing to do is to hold them before they get to a critical line which weakens our position when the time comes when they wish to communize the Western Hemisphere.

Senator HATCH. From what are you reading?

Ambassador MACVEAGH. This is "The Foundations of Leninism," a series of talks by Mr. Stalin published in Moscow in 1934.

Senator WILEY. I think, if we are going to have another war, we had better fight it on some other shore.

Ambassador MACVEAGH. I think the way to stop the war is not to have the war, and we will not have it unless the other fellow is in such a position that he can pull another Pearl Harbor.

Senator WILEY. We are the greatest spenders and the most extravagant people in the world, and we can spend ourselves into a revolution. Something was said that it was not intended that we should go all over the world and meet these similar situations. There is no question that after this thing is done we will have a bill of goods sold us by practically every country in Europe where communism is coming in: "Boys, you had better come in and look after us."

Ambassador MACVEAGH. We must not be simple minded. We must not say we see a Communist under every bed. That is emotional. But when you see a clear-cut situation, where the other fellow is trying to take advantage of us, and is absolutely against you in everything he thinks in the world, his whole attitude is against you. Communism is never at peace with capitalism. Then the thing to do is to size up the situation, estimate the enemy, estimate his position, and take your action accordingly.

The CHAIRMAN. When you get these transcripts, I am going to hold you responsible for taking out anything that should not be published.

We are very, very much obliged to both of you. You have given us a most illuminating morning.

Senator CONNALLY. I just want to compliment both of the Ambassadors. I am very happy to have found Ambassadors who are looking after their jobs and who know what they are talking about and are familiar with all the aspects of these foreign countries. I think you are both entitled to the thanks of the committee for coming down here and telling us so fully and so frankly.

The CHAIRMAN. We are adjourned until 10 o'clock on Monday, in the caucus room.

(Whereupon, at 1:10 p.m., the hearing was adjourned, to reconvene on Monday, March 31, 1947, at 10 a.m. in room 318, Senate Office Building.)

## [FROM THE OFFICIAL MINUTES]

EXECUTIVE SESSION, FOREIGN RELATIONS COMMITTEE, MARCH 29, 1947

The committee met in executive session at 10 a.m. for further consideration of S. 938.

Present: The Chairman and Senators Wiley, Smith, Hickenlooper, Lodge, Connally, George, Barkley, and Hatch.

For record of proceedings, see official transcript.

[At the time of printing, the committee was unable to locate the transcript of this hearing.]

## EXECUTIVE SESSION

S. 938

TUESDAY, APRIL 1, 1947

UNITED STATES SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, D.C.*

The committee met at 10 a.m. in the committee room, the Capitol, Senator Arthur H. Vandenberg, chairman, presiding.

Present: Senators Vandenberg (chairman), Capper, White, Wiley, Smith, Hickenlooper, Lodge, Connally, George, Thomas of Utah, Barkley, and Hatch.

Also present: Senators Murray, Pepper, Johnson, Ball, and Fulbright.

The CHAIRMAN. I think we had better hear Mr. Porter first. The Acting Secretary of State will be here at 10:45. I thought we would hear Mr. Porter pending the Secretary's arrival.

Mr. Porter, we will be glad to have you go ahead in your own way and tell us what we ought to know.

Senator LODGE. Mr. Chairman, for the benefit of myself, a new member of the committee, I wonder if you, Mr. Porter, would say how you got into this Greek thing, what your background for it was, and how you got into the picture?

### STATEMENT OF HON. PAUL PORTER, CHIEF, U.S. ECONOMIC MISSION TO GREECE

Mr. PORTER. The origination of the American Economic Mission to Greece began last July, when Mr. Venizelos, who was then, I believe, Deputy Prime Minister, and a small group of the Greek Government came to Washington to determine what credits might be available from lending institutions, and they had several conferences with Mr. Clayton and Mr. Acheson and other people at the State Department.

Senator SMITH. Might I ask you if Mr. Venizelos is pretty high up in the Greek picture?

Mr. PORTER. He is the present Deputy Prime Minister, Minister of National Economy, and Minister of the Merchant Marine as well.

The CHAIRMAN. He is very old, is he not?

Mr. PORTER. This is the son of the old man, who is dead. This is Sophocles Venizelos.

As a result of those discussions, it was my understanding that both Mr. Clayton and Mr. Acheson said to the Greek delegation that it was the belief of the Department of State that Greece perhaps was not making the fullest utilization of her own resources, whereupon Mr. Veni-



zelos requested that a small technical mission of Americans come to Greece and make a first-hand survey. The request was later renewed, as I understand it, by Mr. Tsaldaris, former Prime Minister and now the Deputy Prime Minister, of Mr. Byrnes in Paris.

The Department then organized this mission some time in December, and I was requested to head it as Chief of the Mission. The circumstances which prompted them to request me to take this assignment I do not know. I agreed to do it. We left Washington with a small staff of eight and arrived in Athens on the 18th of January.

Senator SMITH. Was your Commission composed of experts in different fields, or were they just generally selected?

Mr. PORTER. They were experts.

Senator LODGE. Had you had any previous relationship with Greece or the Balkans or that part of the world?

Mr. PORTER. No. Our mission was wholly an economic mission, and within our terms of reference there was no inquiry into political problems. We had a fiscal expert, an engineer, two economists, an agricultural attaché, and a small secretarial staff.

Senator SMITH. Was your work carried on parallel with the FAO?

Mr. PORTER. No. The FAO had completed its inquiry, Senator, and filed a preliminary report and its recommendations at Geneva even before we left. But the FAO mission primarily was directed toward agricultural rehabilitation, and we were given a somewhat broader scope concerning the internal affairs of the Greek economy generally.

We spent approximately 2 months in Greece, about half of which was spent out of Athens and the remainder in detailed conferences with the ministers of state, with industrialists, businessmen, the banking community, and all other sources of information that we felt it was appropriate to contact.

#### ECONOMIC CRISIS

We found when we got to Athens, the elements of an immediate economic crisis, and I think it can be described as three factors that were principally exerting their pressures upon the Greek economy. The first was a tremendous budget deficit. During the month of February, for example, the overdraft by the government at the Bank of Greece was some 77 billion drachmas, or the equivalent of about \$9 million. In addition to that, the preliminary estimates on the budget for the fiscal year, which in Greece begins on April 1, involved a deficit of around \$287 million, or three times the total note issue.

In addition to that, the internal price level was beginning to show signs of a fairly vigorous increase. The index as constructed by UNRRA, which is a kind of crude index but is the best they could do, during the first week in February showed a rise of about 5 percent. In addition, there was the gold reserves and foreign exchange of the Bank of Greece diminishing; and the free sale of gold, which was the expedient that they resorted to during 1946 to stabilize the currency, was threatened because of the fact that they had no more gold sovereigns.

#### LABOR UNREST

Those factors expressed themselves in fairly widespread labor unrest. The first week that we were in Athens there was a general civil service strike of all the civil servants. Some 77,000 of them walked out

for several days just as Mr. Maximos, the present Prime Minister, took office. They were demanding almost a 100-percent increase in their wages. It was settled by the expedient of giving them 6 weeks' pay during January and February for 4 weeks' work.

In addition to that, the dockworkers at Piraeus, the merchant seamen, flour mill workers, and others went on a strike, and a general strike or a series of individual strikes because of these circumstances seemed indicated. I personally feel that this was a reaction upon the part of the Greek people, the trade union leaders, and others, not only as to the extremely difficult conditions within the country but with the prospect of UNRRA aid ceasing they recognized that there were going to be further pressures on an already completely low standard of living.

Senator GEORGE. Did you indicate what steady income or assured income the State had?

Mr. PORTER. Do you mean what the State has?

Senator GEORGE. That they did have when you looked into it.

#### STATE REVENUE

Mr. PORTER. As to the State revenue, Senator, I believe that some 60 percent of their total revenues during 1946 came from outside sources, such as the sale of UNRRA goods and the British military subsidy. The ordinary revenues were less than 40 percent of the total revenues. And during 1946 the Minister of Finance, Mr. Helmis, somehow contrived to cover about 70 percent of his budget from his current revenues, both ordinary and extraordinary. But this was done to a considerable extent at the sacrifice of reconstruction and rehabilitation, and I think it is fair to say that since liberation, in spite of some \$700 million of foreign assistance, that has gone into Greece from all sources, the country has merely managed to survive.

#### RECONSTRUCTION

Reconstruction, while there are some bright spots here and there, in general it was found that the country was somewhat in the same position as when the Nazis were expelled. The Corinth Canal was still blocked; the highway system is still just a series of potholes, and you average less than 10 miles an hour in taking the trip in a jeep or command car. Agriculture has been revived to approximately prewar levels. That has been due primarily to the vigorous program of UNRRA in agricultural rehabilitation. Most of the draft animals have been replaced, even though 80 percent of them were either taken off or destroyed during occupation, and a tremendous amount of seed, fertilizer, and agricultural implements has been supplied, but aside from agriculture and some industrial recovery—and industry, of course, is a very small part of Greece's activities—the country is still in desperate shape.

We were there at the invitation of the Greek Government, and even though our terms of reference were to make a study and diagnosis of the existing economic conditions, and perhaps some suggestions as to what the Greek Government, the Greek State, could do to better utilize its own facilities, this immediate situation Mr. Maximos asked us to consider and make some suggestions upon, which we did. As a

result, the present Government issued a national declaration of economic principles which was claimed by him to be the policy of his Government. I will not burden the committee with the details of them except to say that they are expressed in very general terms, they call for the management of foreign exchange, the centralization of exports, the reformation of the civil service, the use of all available labor in reconstruction, and price controls wherever they are feasible with respect to essential commodities, and a freeze on employment by the State of further civil servants; what they call the purification of the pension lists and indigents.

I cite that only as an indication of the fact that this Government in principle recognizes the need for very vigorous measures if she is going to get started on the road to recovery.

Senator WILEY. I think you said about \$700 million has already gone into Greece, and there is no evidence of its having accomplished anything.

#### ACCOMPLISHMENTS OF AID

Mr. PORTER. If I conveyed that impression, Senator, I am sorry. I think certainly it has prevented wholesale and mass starvation. It has rehabilitated agriculture to the extent that we expect that there will be a substantial increase in agricultural exports this year over last year. Those measures which I referred to, that Mr. Maximos announced, in my view will not be given any particular content in the absence of American assistance and supervision and guidance, and that, again, is recognized by the Government. I found on every hand opposition parties—Mr. Sophoulis as well as the Populist group—are eager, as they expressed in their note, for American technical supervision and participation in the administration and management of this assistance if it is forthcoming.

We have furnished what data we have accumulated to the Department, and some of our estimates in this program for \$350 million as aid to Greece during the next 15 months are based upon some of the estimates that we sent back. I would like to point out that the \$350 million envisaged by the program that Mr. Acheson and Mr. Clayton have presented does not mean that Greece is going to be able to take it easy. It still puts the economy on an austerity basis, and particularly when you consider that the best estimate that we could get for the calendar year 1946 from UNRRA aid and the British military subsidy amounted in dollar volume to about \$330 million. So here is \$350 million for 15 months. That means that the Government will have to take these measures that Mr. Maximos has accepted in principle.

Senator LODGE. I am a little confused. You say \$350 million?

Mr. PORTER. As I understand the program, there is \$150 million for the military subsidy, there is \$150 million out of this pending bill for reconstruction and rehabilitation, and there is the additional \$50 million for relief from the post-UNRRA bill, which would make a total of \$350 million for the next 15 months.

Senator LODGE. Out of the general relief bill\* that is in the House, the Greeks would get \$50 million, is that right?

Mr. PORTER. That is right.

\*H.J. Res. 153, "A Bill for Relief Assistance to Countries Devastated by War."

## EXPORT-IMPORT BANK FUNDS

Senator LODGE. And are there not still some funds in that loan from the Export-Import Bank?

Mr. ROUNDS. They have used \$5,200,000 of that \$25 million loan.

Senator LODGE. They have about \$20 million left?

Mr. PORTER. I think they have some confirmed credits issued against that.

Mr. ROUNDS. These figures were as of the early part of March.

## GREEK FUNDS ABROAD

Senator LODGE. What funds has the Greek Government abroad?

Mr. PORTER. The Greek State, or the private holdings of individuals, the Greek nationals?

Senator LODGE. Both.

Mr. PORTER. It is pretty hard to get the data on private holdings of Greek nationals. So far as the foreign exchange holdings of the Greek Government are concerned, the latest information that I had on that indicated that the Bank of Greece had approximately, as of February 5, in foreign exchange, in gold dollars and sterling, \$100 million. Of that, gold in dollars accounted for only \$12,500,000, and of course the sterling holdings are not fully convertible into dollars.

Senator LODGE. One of the questions asked here by some Member of the Senate says:

Are there \$220,000,000 of Greek credits blocked in London banks which the Greeks cannot use outside of the British sterling zone, and which Greek Embassy officials here say they could spend if released for the same kind of relief we shall be asked to provide? If so, is there no way to use these credits in this situation?

Do you know anything about that?

Mr. PORTER. I imagine that that may be referring to some shipping balances held by Greek nationals, both in the insurance fund and certain blocked accounts on profits that are held in the Bank of England.

Senator LODGE. You think that is probably true?

Mr. PORTER. I do not know that the figure of \$220 million is true, but we got certain information from the British Economic Mission that there were some sterling balances from that sources in private account. Of course, those do not belong to the Greek State, and under both Greek and British law there is no way of requisitioning or sequestering them.

Senator LODGE. Did you have those figures in mind when you made the recommendation for this particular figure?

Mr. PORTER. We did not take into account the availability of sterling balances except in the balance of payments some few items that could be brought into sterling regularly were considered.

Senator BARKLEY. What was the date of the Greek liberation?

Mr. PORTER. Senator, I think it was in October of 1944—October 15, 1944.

Senator BARKLEY. In a little over 2 years this total of \$700 million has been spent, which roughly averages about \$350 million a year. And if that amount of expenditure in Greece resulted in no material im-



provement in their economic and physical condition, outside of agriculture, I am wondering to what extent this \$350 million spread out over 15 months will rehabilitate them so as to enable them to go on with more speed.

#### INCREASE IN EXPORTS

Mr. PORTER. Senator, there are two factors that will increase Greece's capacity at reconstruction. One is the increase of her exports. In 1946, Greek exports were about \$40 million. We hope that that will be more than doubled. I think it can be.

Senator BARKLEY. Of what does that consist?

Mr. PORTER. It consists principally of tobacco and some currants; although there has been an embargo on olive oil up to the recent time because it is a staple commodity in Greece, we are expecting her to export in dollar volume over \$20 million worth of olive oil in 1947. While that target is fairly high, with proper management of her exports I think it can be done.

There is the second factor, that under the UNRRA agreement the goods were landed portside and became the profit of the Greek State. The Greek Government was faced many, many times on reconstruction problems with this very difficult dilemma, that if they made local drachma available through increasing the note issue for the internal cost of reconstruction, that created a further budget deficit which was immediately reflected in the price level, and the usual consequences would ensue. We believe that under this program they can make the internal costs available because of the added resources and, further, the adoption of policies that Mr. Maximos has announced, where reconstruction can begin.

I found capital goods in some limited quantities on the docks at Piraeus—machine tools, roadbuilding equipment—where I was told that the reason that they could not be utilized was that there were no internal drachma for the internal costs.

Similarly, on the reconstruction of their road system, the departments, as they call them, of the Greek Provinces, were in such a situation that no allocations, or small allocations, had been made for that purpose. This program, as we envisage it, will give the Government a chance to take these other steps, increase her exports, have a very rigid control of imports limiting the imports to the goods of prime necessity and reconstruction, and get started on a program of reconstruction.

#### ECONOMIC PROSPECTS IN 15 MONTHS

Senator WHITE. You share the view that has been suggested by some of our witnesses, that after this 15-month period that the money is supposed to last, Greece will be in shape to then do some financing through the International Bank?

Mr. PORTER. I certainly hope she will.

Senator SMITH. Is that a hope, or is that what we are counting on in our policy? I am asked by many people what will happen when the 15 months are gone. Will we have to put up some more?

Mr. PORTER. If this money is wisely expended and the Greek Government undertakes the administration of the principles that they have

announced, I would certainly think that Greece will be in a position to qualify, and I hope before 15 months, assuming internal pacification and the sealing of the borders, for additional assistance from the established lending agencies for that purpose.

Senator SMITH. That would seem to bring us to the very important question of whether you felt from the contacts there that they had the talent in Greece to put those principles into effect, or whether we have to send a commission to Greece to run this show for them and bail them out with our brains as well as our money.

“AGGRESSIVE SUPERVISION OF FUNDS”

Mr. PORTER. I think we have to have aggressive supervision of these funds. That is a principle on which I found no dispute all the way from the Archbishop, Mr. Damoskinos, down to Mr. Sophoulis, who is the leader of the constitutional opposition. I think that there are able people in the civil service in Greece and in industry who have the capacity for planning and for administration, but the devastation that was wrought physically I think is equal to, if not exceeded by, the complete deterioration of public administration in Greece, and one of the urgent needs for which the Greek Government has already asked relief is that a mission, a small mission, be sent to make an intensive study of her civil service and put in systems of classification and promotion. We have the very definite belief that about half of the present civil service can be eliminated, standards put in, and a more efficient job done by Government. Again that is a principle accepted by the present Government.

Senator HICKENLOOPER. May I ask you this question, Mr. Porter: If at the end of 15 months we find the Greek situation not greatly improved, that they have merely held their own and they still are not able to operate their own economy or qualify themselves for loans or anything of that kind, then what? Will it be necessary for us to appropriate another \$200 or \$300 million?

Mr. PORTER. Of course that is the risk inherent in this policy. I assume that if we take on this obligation it will be a continuing responsibility, and certainly if the program as outlined is even partially successful, Greece technically can stand on her own feet, in my judgment.

Senator HICKENLOOPER. But there have been some \$300 million already spent in Greece in one way or another, and we find Greece today in a crisis. Suppose we spend \$350 million more in Greece. At the end of 15 months, Greece is still hanging on by her teeth. What then? And, if we stopped our aid at that time, Greece would still say, or we would say, that Greece was not able to stand on her feet. Would we be called upon to appropriate another \$200 or \$300 million?

Mr. PORTER. Of course, that is a question that will have to be analyzed at that time.

Senator HICKENLOOPER. That is the question that I think we have to practically consider here.

Mr. PORTER. On that question, Senator Hickenlooper, I share Mr. Clayton's sentiment, that I do not like to contemplate the prospect of failure on this program.

## PROSPECTS FOR FAILURE

Senator HICKENLOOPER. At least I would take a much different view of it if I thought failure were certain. I would rather have an optimistic view of this thing, that we can do something striking. But if we do not, I do not think we are justified in going into this thing with a sort of Pollyannaish attitude that we do this and everything is going to be all right in Greece. If it is not all right, then what?

I think we have to consider that contingency just as much as the optimistic contingency.

Mr. PORTER. I certainly would not want to predict before this committee, Senator—

Senator HICKENLOOPER. I am not asking you to predict.

Mr. PORTER (continuing). What will happen in 15 months.

Senator HICKENLOOPER. I am asking you on the practical thing that will confront us in 15 months if that contingency happens. Will we say that we do not want to throw any more good money after bad? Or will we say that our obligations are such, and we have spent all these hundreds of millions of dollars, that we will have to appropriate some more money? What is it?

Suppose this program meets with difficulties we do not anticipate, that the morale of the Greek people is lower than we anticipate, that they do not bounce back as we expected, and at the end of 15 months we find that this money is gone and we find that the Greeks are not materially further along on self-sustaining programs than they were when they started in. We have a record of that now. We have spent \$300 and some million and we are up against this situation.

Mr. PORTER. Senator, at least from my own point of view when you consider the experiences that the Greek people and the Greek economy have had during the war, the occupation, and since, to me it is remarkable that they have come as far as they have with the rehabilitation of agriculture, with some scant reconstruction, with certain of the industries operating at 70 percent of prewar.

Senator HICKENLOOPER. I agree with that. But I still do not have an answer. I did not get an answer from Mr. Clayton, except that he did not envision any failure of this program. I could not get an answer from him as to what would be our position if it did not make the progress we anticipate it will. Will it be the course of wisdom for us to then appropriate more money to continue the program that we have put so much money in? I am just making the assumption that it may not. If I assumed that it did not as a major premise in my thinking, I would take a different attitude.

## ASSUMPTION OF SUCCESS

Mr. PORTER. You are taking the assumption of failure, and I feel that I take the assumption of success.

Senator HICKENLOOPER. I am taking the assumption of success or I would not vote for the thing. If I did not take the assumption of success is one thing. I think it is also wise to at least speculate on the assumption of failure. What will we do if it does not succeed?

Mr. PORTER. Then I assume it would be the duty of the Congress to review the policy and determine then, in view of the existing circumstances, future action.

Senator HATCH. In fact, Mr. Porter, it is almost impossible, is it not, to determine a policy now as to what will be the condition 15 months from now?

Mr. PORTER. I find it impossible to answer the Senator's question.

Senator HATCH. We just have to know then how much progress has been made, if any, or none, and we cannot determine a policy until those conditions have developed.

Senator CONNALLY. If a hungry man meets you on the street and wants a sandwich and a cup of coffee, you would not refuse him because you might fear that next week he would not be able to get another cup of coffee and a sandwich from somebody else.

#### ACTING SECRETARY OF STATE DEAN ACHESON CALLED

The CHAIRMAN. Mr. Porter, would you be good enough to stand aside just temporarily so that we can conserve the time of the Acting Secretary of State, who, I am sure, has plenty of other things to attend to besides us?

Will you come up to the table, Mr. Secretary?

I think the Senator from Massachusetts had some questions. If any members of the committee have questions they want to ask the Secretary, I suggest that they proceed now.

#### FIFTEEN UNANSWERED QUESTIONS

Senator LODGE. I have two different types of questions. The first relates to some of these amendments which I offered. I do not know if this is the day to bring those up or not. The other relates to some of the questions in this pamphlet which I do not find have yet been answered.

The CHAIRMAN. If you are dealing with the questionnaire\*, I would like to say that the Department has done an amazing job of furnishing a complete written answer to every question in the questionnaire, and it is now being printed at the Government Printing Office and will be available in the morning.

Senator LODGE. That simplifies it. I have been through this thing and there are about 15 questions to which I have not found answers.

The CHAIRMAN. Every question has been answered in writing by the Department.

Senator LODGE. Is this an appropriate time, then, to ask the Acting Secretary to comment on some of these amendments?

The CHAIRMAN. Suit yourself, sir. I hope we will not have to ask him up again.

Senator LODGE. Mr. Secretary, I have offered four amendments to this bill. The first one relates to the proposition that these funds will not be used to pay any foreign debts that may be owed by the Greek or Turkish Government. You accepted that amendment in principle. Then I sent the text down to you and you made certain changes which I have adopted, so I think that one is all right.

\*See: "*Greek-Turkish Aid Bill, answers submitted by the Department of State to questions relating to S. 938, A Bill Providing for Assistance to Greece and Turkey*," printed for the use of the Committee on Foreign Relations (Washington: U.S. Government Printing Office, 1947).



## GREEK SYSTEM OF TAXATION

The second one relates to the proposition that any government furnished assistance under this act shall agree to undertake the setting up of a bona fide system of taxation, the purpose of that being that we should not tax our own people of moderate means while the Greek millionaires go untouched.

Mr. Clayton, while he did not endorse any amendment at all, did endorse the idea. I was wondering whether you had had an opportunity to see this amendment, and whether you had any comment you cared to make about it.

**STATEMENT OF HON. DEAN ACHESON, ACTING SECRETARY  
OF STATE**

Secretary ACHESON. I did see it, Senator Lodge. It is not altogether fresh in my mind. I think it related to a system of income taxation.

Senator LODGE. The idea is that they shall make a bona fide effort to tax their own people on the basis of ability to pay.

Secretary ACHESON. Yes; I remember this. I should hope that this would not be put in the law. This is the sort of thing which you have to work out, we will have to work out, with the Government, and if we require that within a certain length of time they agree that they will do this, I think particularly in the case of Turkey we are going to have a great deal of difficulty. I think the Turks are doing it. I do not think that they will want to agree in writing that they will adopt a system of taxation which we regard as satisfactory.

The Greeks are probably in such a very desperate state that they will do almost anything. But I think it is unwise to put this requirement in the law. We will see that it is carried out. If you put it in the law you face the Government with the necessity of having a written agreement which they will have to refer to their Parliament, and we will be involved in all sorts of domestic difficulties.

I think we can accomplish these results much more easily if it is left to the administrative operation and not made a requirement of law.

Senator LODGE. You are confident that you can get the substance of this accomplished?

Secretary ACHESON. Yes.

Senator CONNALLY. It would also increase the "yawp" about the imperialism of the United States coming in and dictating to the Government what it shall do—I mean among the Yugoslavs and Bulgarians and their master.

Senator LODGE. If you limited it just to millionaires it would not be a very difficult type of imperialism.

GREAT FORTUNES IN ATHENS

Here is a dispatch which says that great fortunes have been accumulated in Athens as a result of the importation of colored combs, nylons, shoes, lipstick, and other things.

Then the third amendment.

Senator WHITE. What is it?

Senator LODGE. "No assistance shall be furnished under this act which shall have the object (a) of promoting the continuance or expansion of any totalitarian purpose or goal, whether communistic or fascistic; or (b) of rejecting the proposition that individuals have inalienable rights and must be both free and the masters of their government."

Secretary ACHESON. I think we suggested some language. The idea is quite all right.

Senator LODGE. That is all right?

Secretary ACHESON. Yes.

#### ADMINISTRATOR CONFIRMED BY SENATE

Senator LODGE. Then, the last one relates to this question which several Senators have brought up. I have not put it into an amendment, but I have heard it mentioned by a great many people, the matter of having an administrator who would be subject to confirmation by the Senate. That principle was accepted by Mr. Clayton. I wanted to ask you what you thought the rate of compensation should be and whether you thought the Greek or Turkish aid should be under one administrator or under two.

Secretary ACHESON. That particular amendment would be, I am afraid, a confusing one, Senator Lodge, because what we were talking about the other day in the hearing was that the chief of the mission, if you sent a chief of a mission out, should be confirmed by the Senate, and that is entirely agreeable, of course. This amendment here, as I read it, I thought referred to an official in Washington. It says:

There is hereby created in the Department of State an office to be known as the Administrator of Greek and Turkish aid. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall be paid compensation at the rate of \_\_\_\_\_ dollars per annum, and shall perform, under the general supervision and direction of the Secretary of State, such functions relating to the administration of this Act as the President shall prescribe.

#### ADMINISTRATION OF AID PROGRAM

I thought that would be generally understood to mean that you would have someone in the Department of State, like Clayton or myself or someone of that sort, reporting to the Secretary, with an office in Washington, who would take on this particular job. That, I think, is unnecessary to put into the act. There will be some person who will be charged with pulling together in Washington all the requirements of the mission in Greece. It will be much better to allow the actual administration in the United States of the program to be carried out by those departments of the Government which are equipped to handle the various parts.

For instance, the shipping part would be carried out by the Maritime Commission; anything that had to do with food would be carried out through the Department of Agriculture; Treasury Procurement would purchase those things with which it deals; the War Department and Navy Department would handle the things with which they deal. We would have a person in Washington whose job it would be to service the missions, to see that whatever they asked for was im-

mediately processed in Washington, to find out whether it was possible and within the limits of what we were doing, and, when it was agreed upon, to see that the proper department provided it.

I do not think you need another high officer in the Department of State to do that job. One of the difficulties is that you get too many high officers in the department, each doing a particular job, and somebody has to spend his time coordinating all of those fellows.

So far as the head of the mission is concerned, we have never raised any question of that, Senator Vandenberg.

Senator GEORGE. Would you confine Senate confirmation to the head of an important mission of this kind?

Secretary ACHESON. That is all we were asked about, and I should think that would be sufficient. Various suggestions have been put forth from time to time as to whether there should be a commission or a board. We think that in this sort of administrative job the important thing is to center responsibility in a man. He is the fellow who is held responsible, and he then can pick out his assistants. I think if the Senate confirms this man, it is not necessary to confirm his assistants.

Senator HICKENLOOPER. Is it your idea that that man shall have charge of both the Greek and Turkish situation?

#### CONTROL OF PROGRAM IN TURKEY

Secretary ACHESON. I should think not, Senator. I was talking to Senator Vandenberg and Senator Connally about the Turkish situation the other day, and there is a peculiar situation there, that we think it would be much better to have whatever is done in Turkey done through the Ambassador, Mr. Wilson, or whatever Ambassador is there. Mr. Wilson is planning to go back.

The reason for that is that one of the great steps which Turkey took after the last war, under Ataturk, was the abolition of the capitulations. Up to that time there had been foreign courts and foreign officers in Turkey. That was a source of tremendous irritation to the Turks, and part of the revolution was to stop all foreign capitulations. They had the same kind of situation that they had in China years ago, in which the various legations had their compounds and they administered their own law. There were American courts, British courts, and things of that sort.

Now, if you set up a person known as the Chief of a Mission, you will get into all kinds of difficulty with the Turks, who will think that we are trying to bring back the old system of extraterritoriality.

Senator HICKENLOOPER. How will you avoid the suspicion that certain political groups or parties will use this, under that kind of system, for their own plans?

Secretary ACHESON. You can do exactly the same thing through the Ambassador. They are quite used to that.

Senator SMITH. He would have to approve their setup.

Secretary ACHESON. He would approve what they are doing and would do exactly, in Turkey, which will be a much smaller and simpler program, what the Chief of the Mission with all his assistants would do in Greece, and you will not get the irritation.

Senator HICKENLOOPER. Would it not be necessary for us to deal almost exclusively with the Turkish Department of State or corresponding group there? Will he be able to get to the lower levels?

Secretary ACHESON. He can do it perfectly well. It is a question of face and appearance. Whatever is done through the American Embassy will not bother the Turks at all. If you get another official in there who is supposed to be clothed with a different sort of authority, you will immediately have all kinds of problems raised.

Senator HICKENLOOPER. Will he in fact attempt to exercise supervision at lower levels? I say "in fact exercise supervision." Whether he does it openly or not may be another thing. Or will he confine his dealings merely with the Turkish Government and let his supervision stop there, with their reports to him as to what they are doing?

Secretary ACHESON. No. He would do whatever observation in the field was necessary and whatever direct steps were necessary. The Turkish program would be a very much simpler thing than the Greek. You do not have all these imported supplies and all this distribution question. It would be a matter of the purchase and delivery to the Turks of certain military equipment. Well, after you have delivered it, that is all there is to it. You do not have to do any more. If they are going to undertake to do anything about the railways, it is a question of delivering equipment at the proper place on the railways. The Turks will lay the rails and do whatever is necessary. It will be a simple program.

#### APPOINTMENT OF CHIEF OF MISSION

The CHAIRMAN. Clearly the situation is different and simpler in Turkey, but do you propose, or are you suggesting, that the law itself should be blank on the subject of responsibility in Turkey? We are proposing to specify responsibility in Greece. Now, do we remain entirely silent in respect to responsibility in Turkey, or do we identify the Ambassador?

Secretary ACHESON. You can do it in one of two ways. You can say that any Chief of a Mission who is appointed shall be appointed with the advice and consent of the Senate, or you can say that a Chief of Mission shall be appointed with respect to each country, and in respect of Turkey we would send up for confirmation the name of the Ambassador, so there would be only one person in Turkey.

#### CONFIRMATION BY THE SENATE

The CHAIRMAN. Do you mean it is all right to define a Chief of Mission in both countries, to be confirmed by the Senate?

Secretary ACHESON. I think it is all right to do that, Senator Vandenberg. If I had any choice in the matter, I think it would be better to say that the Chief of Mission sent to either one of these countries shall be appointed by and with the advice and consent of the Senate.

The CHAIRMAN. You mean without asserting that there must be one?

Secretary ACHESON. Yes, sir; because there will be one. There will be one for Greece, and the one for Turkey will be the Ambassador. We will, if you wish, send up the name of the Ambassador for further confirmation from the Senate, and send up the name of the Chief of Mission for Greece for confirmation.

The CHAIRMAN. I would like to get it very clear. You would not object if it be the committee's conclusion that they wanted to identify the appointment of a Chief of Mission in both countries, to be confirmed by the Senate?



Secretary ACHESON. No, sir; we would not object. We would hope that the committee would be persuaded that the other way was satisfactory.

U.S. EXPERTS TO GREECE

Senator SMITH. Do you plan to send a mission to Greece of experts, like a railroad expert, utilities expert, and so on?

Secretary ACHESON. I think under this headman there will be people of that sort. Those people would go, I presume, whenever a project was started in regard to railroads, or the harbor, or building a bridge.

Senator SMITH. Including a monetary expert for their finances and currency, and that sort of thing?

Secretary ACHESON. As I envisage it, and Mr. Clayton was talking to you, the people would perform essentially two types of operations. There would have to be some people who would be put into the essential key Ministries which are necessary to control the basic factors—control of gold and foreign exchange, control of imports and exports. Those people would have to be put in there so that the Chief of our Mission would know that there was no escape going on, that gold was not flowing out, that licenses were not being given for the import of unnecessary luxury goods, which would be indirectly draining our help. Those people have to perform control functions.

Then you will have other people whose work will be advisory. If you have to fix up some bridges, fix up some of the railroads, for instance, you would have some engineers who know about that sort of thing, and they would go in and make up a proposal for the Greek Government and say, "Here is something on which to bid."

Senator SMITH. That is just advisory. The other group would have authority to act.

Secretary ACHESON. You have to have people in these places I talked about, who have authority to say to Greece, "Stop doing this! You are draining off your resources."

Senator SMITH. Will we have an agreement with the Greeks on that?

Secretary ACHESON. Yes, sir. We will have to have an agreement with the Greek Government.

IF THE GREEK GOVERNMENT SHOULD FALL

Senator SMITH. Where will we be then, Mr. Secretary, if there should be an upset in the Government and a new election and a new government in power? Have you thought that through, as to what happens in that case?

Secretary ACHESON. You have no problem if you have an election and a new government in power. The only problem you have is if you have a revolution and a whole new constitutional system which repudiates what has been done before. Any government which comes along would carry out the obligations entered into by the prior one. There probably will be provisions in here saying that either government can call the agreement off. If the new Greek Government wanted to call it off, we would pack our bags and go on home.

## ADMINISTRATION OF TURKISH AID

Senator LODGE. Mr. Secretary, I would like to be clear about the Greek and Turkish aid. You plan to have the Turkish aid administered under the direction of the Ambassador.

Secretary ACHESON. Yes.

Senator LODGE. That is mostly military aid anyway.

Secretary ACHESON. Yes, sir.

Senator LODGE. So he has his military mission and the personnel already has the status and so forth. There is no problem there.

## ADMINISTRATION OF GREEK AID

Now you come to Greece, and you have a Chief of Mission. Does he report to you through the Ambassador?

Secretary ACHESON. Well, physically, yes. His cables would come through the Ambassador. He would be doing a wholly different job through the Ambassador. The Ambassador would advise him, if necessary and, if necessary, would advise us if he were getting into any trouble of a political nature.

But so far as running the shop is concerned, the Ambassador would leave him alone and he would go ahead and do the best he can.

## REAR ECHELON IN AMERICA

Senator LODGE. You will have to have a very capable rear echelon here in America, because he is going to have to get a lot of civilian personnel and it is going to be awfully easy for people with an ax to grind to put themselves into that civilian personnel if he takes off in a hurry and gets over there and does not have some very high-class people back here screening his personnel.

Secretary ACHESON. He has to have a man whom he selects. We would have to do the same thing we did when General Marshall was in China, having a man whom General Marshall selected who has thoroughly understood the various departments with which he has to work, and who would have a small group. You do not need a vast number of people.

Senator LODGE. No, no.

Secretary ACHESON. The way it operates is that all communications go through that rear echelon and he follows each one up to see that the proper officer in the State Department or Agriculture or somewhere else is taking the action. If he does not take it right away, then this fellow will come to me or to General Marshall.

Senator LODGE. Suppose you pick up a high-class civilian, as Mr. Clayton has suggested, and he leaves for Greece right away, as I suppose he would. He has to have an awfully good man to pick his assistants for him. Do you not envisage a great many people are going to try to muscle in on this thing who have no business being in on it?

Secretary ACHESON. I should think that he ought to be very careful about not leaving for Greece until he has his basic setup and has a person picking his assistants whom he knows he can trust and relies on thoroughly.

## U.S. STRATEGIC POSITION OF AREA

Senator SMITH. Mr. Secretary, there is one question I would like to ask you that I would not want to ask publicly, and I thought you might want to answer it here. Is it not a fact that this whole picture suggests to us that because Greece and Turkey are the countries around the Dardanelles and the exit of the Black Sea, it means that it is vitally important for our whole strategic position to control that area, so that if there is an outbreak we will at least have a threat to Russia through that control?

Secretary ACHESON. We can put it the other way. It is not that we are trying to control it. We feel that it is very important that the Soviets should not control it.

Senator SMITH. I agree with you. I wonder if that is not what we are getting at in feeling that this is the immediate impact in these two particular countries. We are not talking about China, Korea, or other spots that may be dangerous, at this moment.

Secretary ACHESON. That is why that area is so important.

## PRIMARILY A STRATEGIC MISSION

Senator LODGE. And the corollary to that is that this is not primarily a relief mission or an economic mission, it is a strategic mission.

Secretary ACHESON. Yes.

Senator LODGE. And Senator Hickenlooper's question, which has interested me very much, and which I have been thinking about since he asked it, resolves itself to this: It seems to me the question of what to do 15 months from now, if this thing has been an economic thing, will be determined by what the strategic situation is, not by the economic factor.

Secretary ACHESON. They are both involved.

## MEANING OF "MISSION"

Senator BARKLEY. I would like to ask you this with regard to this mission: When the word "mission" is used, it is usually interpreted to mean a whole bunch of people. If you were to send an individual, he would be a mission. There will be various levels from the head of it all the way down, and if you undertook to confirm all of them you would have quite a spread at the lower levels of appointments that would have to be confirmed by the Senate.

Do you think that if you put the full responsibility on this one man, the head of it, that that is as far as we can wisely go in the matter of confirmation?

Secretary ACHESON. I should think that would be as far as the Senate would wish to go.

Senator BARKLEY. Is it your idea that a preliminary mission would go over there to make a survey of what is necessary, and then have another one to carry it out, or that the same one would do both?

Secretary ACHESON. I think you would select a man. As soon as he could get something established here in Washington to carry on behind him and send him the people he wanted, he and a few of his assistants would go over there and stay there.

## RISK OF FAILURE

Senator BARKLEY. With regard to the question Senator Hickenlooper asked, which was a very interesting and pertinent one, of course we all realize that we are taking risks here, risks of failure as well as risks of involvement. The question is where the smaller risk lies, assuming that we have a duty in connection with it.

If we were to assume that the success of this enterprise at the end of 15 months had not been all that we had hoped for, but that it had been partially successful—half successful, maybe—then we would have to determine the situation as it existed at that time in deciding whether we would go any further with any further appropriations, or whether we would leave it where it is.

It is rather difficult to do that in advance, is it not?

Secretary ACHESON. Yes, sir. I think you could not do it in advance. If the effort failed or were not successful, the important consideration would be why. What has happened which has not allowed it to come through? If it were that there were some economic difficulties that had not been anticipated, then I should think we had better tackle those and overcome them. If it is because there has been a revolution which has been supported from the outside, then you have the great strategic question of whether the United Nations is going to move in or whether it is not.

Senator CONNALLY. In the meantime we would not necessarily have to wait until just exactly 15 months expired. This mission and the department would be cognizant of the progress some months before the ending of that period, would it not?

Secretary ACHESON. Yes, sir.

Senator CONNALLY. You would begin to foresee whether it was working out or whether it would be successful. So there would not necessarily be, if we should take action, any period of a vacuum between our future course and the end of this course, would there?

Secretary ACHESON. That is correct, Senator.

## MILITARY ATTACHÉ

Senator CONNALLY. One other question and I will turn you over to Senator Hickenlooper.

In Turkey you will have military people who will be, I assume, attached to the military attaché in the Embassy to aid them in expending the funds and adjusting themselves to the equipment that we should furnish them, or the funds that we should furnish them. There would not be any independent establishment. They will simply be attached to the Embassy, and the Ambassador, being in charge of the whole works, will be able to have them function properly. Is that right?

Secretary ACHESON. Yes, sir.

The CHAIRMAN. Mr. Secretary, I made a suggestion yesterday in connection with the relationship of the United Nations, without any thought that it was in final shape but to personify an idea which I deeply feel, if it is feasible at all, would make a very large contribution to the happier thinking of an awful lot of American citizens. Without discussing it this morning, may I ask you if you will be good enough to have your Department mull that over and see whether there is



anything in it which you could reconstruct, perhaps, in a fashion satisfactory to the Department?

Secretary ACHESON. Yes, sir. We will be very glad to.

The CHAIRMAN. Senator George?

#### MILITARY PERSONNEL

Senator GEORGE. Mr. Secretary, I was not here when you appeared before the committee the other day, and I may ask you some questions that are already in the record. If they are already in the record simply say so, and I will look at the record.

Section (2) of this bill provides:

By detailing to assist those countries any persons in the employ of the Government of the United States; and the provisions of the Act of May 25, 1938 (52 Stat. 442), as amended, applicable to personnel detailed pursuant to such Act, as amended, shall be applicable to personnel detailed pursuant to this paragraph;

That reference is not to any military personnel, is it, or does that include military personnel?

Secretary ACHESON. The military personnel are in section (1) of the act, subparagraph (2).

Senator GEORGE. I understand that. I was asking about (2).

Secretary ACHESON. No, sir; it does not.

Senator GEORGE. In (3) there is a provision made for detailing a limited number of members of the military service of the United States to assist Greece, or Turkey in this instance, in an advisory capacity only. Is there any other provision in this bill that provides for the detailing of enlisted personnel of the military?

Secretary ACHESON. No, sir. That is the only provision, Senator, that deals with that.

Senator GEORGE. That is the only provision?

Secretary ACHESON. Yes, sir.

#### SOURCE OF MILITARY SUPPLIES

Senator GEORGE. How is it contemplated—this may be in the record, and if so, you say so and it will shorten the examination—that we will provide military supplies and implements? That is to say, from existing stockpiles or from American factories?

Secretary ACHESON. Senator, the Secretary of War covered that, but it will now take only a minute to repeat it.

Senator GEORGE. I have not had a chance to read his testimony.

Secretary ACHESON. In so far as it is convenient and possible—and I will explain those words in a minute—the idea would be to supply out of surplus military equipment. There are some items of equipment which it might be necessary to supply which are not surplus but which the Army has. Those will be supplied out of the Army stocks, and the Army would be reimbursed out of this bill. That is, if they were in an essential reserve equipment. Some items which are not in either category might have to be purchased from new manufacturing.

Senator GEORGE. But the bulk of the supplies, the military supplies and equipment and implements, are to be furnished either out of the stockpile that we now have or out of the supplies that the Army now

has, with only those exceptional things that can not be supplied out of either. Is that the idea?

Secretary ACHESON. I think that is the idea. Of course, some of the material is not in stockpile at all. The military supplies are not all combat materiel. In fact, a large part of the military supplies would be trucks and gasoline, food for the Army, cloth for uniforms, shoes, or leather for shoes, and equipment of that sort, a very large part of which would not be in surplus.

Senator GEORGE. Then, when it comes to arms and munitions—

Secretary ACHESON. When it comes to arms, I think it would depend on the type of equipment. Some of the equipment of the Greek Army is American equipment, some is not. That part which is American would be supplied out of supplies, if we had it. If not, we would have to purchase it.

Senator GEORGE. If we are going to place orders in this country in the American factories for any considerable part of the \$150 million or \$200 million that we are going to give to Greece for military purposes, that would be very much like supplies on order, would it not, and equipment on order? It would not meet any immediate emergency of Greece, would it?

Secretary ACHESON. You mean, if it took a long time it would not. A lot of it I think can be purchased at once.

#### WHY THE SUDDEN EMERGENCY?

Senator GEORGE. What I am getting around to is why this very sudden emergency on which we must act quickly? Now, if it is an emergency and you are going to come back to the American factories to have a part of it made, and have your military and naval appropriations, of course, increased, or at least supplemented or reimbursed—that is perhaps the better word—by whatever amount we take from then, and then let them go ahead with a program of military expansion here in the building of arms and munitions, what becomes of the emergency character of this whole Grecian picture from a military point of view?

Secretary ACHESON. Well, the emergency character of it is this, Senator: The Greek Army has been largely supported, so far as purchasing what it needs, from outside of Greece, by funds from the British. Those funds have run in the neighborhood of between \$8 and \$10 million a month. The British have informed us that as of yesterday they can no longer continue that. As a result of discussions which we have had with the British, they have agreed that a payment which they were going to make on the 1st of April, of £2 million, they will make. They will also make a payment on the 15th of April £1 million. So they have £3 million which they had not expected to get. That ought to carry them along into the middle of this month.

Senator GEORGE. Well now, coming back to what the British have supplied them, has the British Government supplied them with American lend-lease arms and equipment, or has it been British-manufactured equipment and arms?

Secretary ACHESON. I think both.

Senator GEORGE. Both?

Secretary ACHESON. Yes.

Senator GEORGE. Are the British going to take out, if they withdraw their military force, whether it be 10,000 or 16,000 or what, all of the equipment and arms and munitions which they have in Greece, or are they going to leave it there?

Secretary ACHESON. No, sir. There are two types of equipment in Greece. One is the equipment which the Greek Army has, and the other is the equipment which the brigade of British troops that they have there has.

#### BRITISH TO WITHDRAW ALL MILITARY EQUIPMENT

Senator GEORGE. I am speaking of that. They will take all of that out?

Secretary ACHESON. They will take all of that out when they take the troops out.

Senator GEORGE. All of their own equipment for their army will go out with their army?

Secretary ACHESON. I assume it will.

Senator GEORGE. Let me inquire whether or not we are presently supplying Greece with any arms and military equipment, and have been doing so for the last 60 or 90 days.

Secretary ACHESON. I believe not. I had better look that question up. The only transfers that I know of that we have made or agreed to are of a small number of training planes for the Greek Army, but we will have to get you the correct answer on that.

#### WHY THE "IMMEDIATE EMERGENCY"

Senator GEORGE. Now, Mr. Secretary, what brought on the immediate emergency calling for action by this Government in the form proposed here in this legislation? What was it? Was it the British note?

Secretary ACHESON. Yes, sir.

Senator GEORGE. Was it the British note alone?

Secretary ACHESON. Yes, sir; that plus the ending of the UNRRA program in Greece.

Senator GEORGE. Yes. I did not want to get into the UNRRA end of it.

Did not our Government know of the condition of Britain in the Near East and of the British Government generally?

Secretary ACHESON. We have known of the problems which the British Government has been facing, and, as I said to the committee the other day, when Senator Vandenberg asked me a similar question, we have known for the last 45 days before we got the note that the British Foreign Office and the British Treasury were in disagreement as to what British policy should be in regard to this matter, the Foreign Office believing that it was important that the British should continue their financial support, the Treasury saying that they could not afford to do so. The final catastrophe which came on England in the coal shortage in the winter produced somewhat of a panic, and the result of that was that the Treasury won the decision, and it was decided that they could no longer support the financial drain which was going on in Greece.

Senator GEORGE. But the British still had their reserves against the British loan in our Treasury?

Secretary ACHESON. Yes, sir; they have the British loan.

Senator GEORGE. They had not drawn that down to a vanishing point by any means.

Secretary ACHESON. No, sir. I do not know the exact balance, but I can find that out for you.

Senator GEORGE. I think I know about the exact balance, but I mean, our Treasury must of necessity have known of the condition of the British Government, its financial condition.

Secretary ACHESON. Oh, yes; I think so.

Senator GEORGE. And months before—not on the date of the reception of the note.

The point I am getting at is, how did this note create such an immediate emergency that we are called on, without ample time, to give fair consideration to all the problems involved here?

Secretary ACHESON. Well, the British note informed us that as of the end of their fiscal year, which was March 31, they could not continue to go forward with financial aid to Greece.

#### WHY NOT ASK THE BRITISH FOR A DELAY?

Senator GEORGE. Mr. Secretary, why would it not have been perfectly pertinent for our Government to have said, "We want until July at least to think through and explore some of the tremendous problems that you are asking us to take on by the adoption of this policy"?

Secretary ACHESON. I think it would have been altogether possible.

Senator GEORGE. Did anybody suggest that, Mr. Secretary?

Secretary ACHESON. I had discussions with the British Ambassador and, as I reported, I think, to this committee before, endeavored to extend the period of time in which the British would continue their financial aid, and the success or lack of success of that.

Senator GEORGE. Did you go into that in your direct examination before this committee? If you did, I do not want to go into it again.

Secretary ACHESON. I do not think so, Senator. I do not think I did.

#### WHO MADE THE DECISION?

Senator GEORGE. Then I come to what to me is a very pertinent question. If you do not want to answer it, or if you want to answer it off the record, do so. Who made the decision? I understand it is the President's decision, but who made the decision to enter upon this program first in Macedonia with a loan of \$400 million to Greece and Turkey for the purposes set out?

Secretary ACHESON. As you say, Senator George, it was the President's decision.

Senator GEORGE. I know that.

Secretary ACHESON. Which he made on the recommendation of the Secretaries of State, War, Navy, and the Treasury.

Senator GEORGE. And it was made upon the recommendations of those four Secretaries?

Secretary ACHESON. It was made upon the recommendations of those four Secretaries, and reviewed by the entire Cabinet and supported by the entire Cabinet. Then, on Thursday of the week in which the President first considered the matter on a Wednesday, he then met with leaders from the Hill and discussed the matter with them,



reviewed the matter with them, reviewed the matter on Friday with the Cabinet, and a week from the next Monday had another meeting with the leaders from Congress.

Senator GEORGE. Mr. Secretary, did the four Secretaries suggest that in a matter of this very vital and almost supreme importance Britain owed it to us to allow us until, say, July, or 60 or 90 days, in which to explore the whole problem?

Secretary ACHESON. I cannot answer that because I do not know, Senator George. I am the person, I think, who had the discussions with the British.

Senator GEORGE. You had them with the British Ambassador?

Secretary ACHESON. Yes, sir.

Senator GEORGE. You do not know how far they went beyond the Ambassador himself?

Secretary ACHESON. Well, no. I am sure that they went to London.

Senator GEORGE. Did you have any positive statement that we would not have any further time to consider this problem?

Secretary ACHESON. The only statement I had was the attempt to induce the British to continue their financial support after the 31st, and we finally ended up with their agreement to make these two payments which I have just recounted.

#### A MILITARY OR ECONOMIC DECISION

Senator GEORGE. Was this regarded, Mr. Secretary, as a military decision or an economic decision or both? If you would rather not answer it, I do not want to press for an answer. I do not want to press for an answer on a point that you do not want to discuss.

Secretary ACHESON. I do not think it is something which it is possible for me to answer. I do not think those words were used. All the pertinent aspects of this matter were very carefully considered by the Secretaries concerned, including all the aspects which have been gone over with this committee.

Senator GEORGE. Well, Mr. Secretary, there was never any thought in your mind, at least, that the British would withdraw from the Near East and Middle East all of their activities. Britain is not getting out of Turkey and Iran and Iraq and that whole area, is she? I do not mean getting her military forces out. I mean Britain is not withdrawing all of her activities in that area?

#### BRITISH IN DIFFICULT SITUATION

Secretary ACHESON. No, sir. The British are withdrawing their forces from Egypt. They are in a very difficult situation there. They have now put up to the United Nations the question of the future government of Palestine. They are pulling out of India and Burma.

Senator GEORGE. Yes, I know about that. Is she withdrawing her forces from north Italy?

Secretary ACHESON. Her forces will be withdrawn from north Italy under the treaty, after the treaty has been ratified; yes, sir.

Senator GEORGE. But the immediate withdrawal is in Turkey and Greece. She has no military force of any military consequence in Turkey.

Secretary ACHESON. There are no forces of any sort in Turkey, and the only British forces in Greece are, I think, a brigade at the present time, maybe a little more than a brigade, which it has been stated by the British Government will be withdrawn in the near future. That has been their policy right along.

#### BRITISH PROTECT COMMERCIAL INTERESTS

Senator GEORGE. In point of interest she is not withdrawing from the Near East at all. In other words, Britain does not intend to clean out and get out. She is going to maintain all of the commercial interest in that area.

Secretary ACHESON. I presume that that is very important to her; yes, sir.

Senator GEORGE. And you cannot give any more direct answer as to why Britain could not give a little more than 2 weeks for this country to canvass this most important step and be better prepared to take it deliberately than you have given on the record?

Secretary ACHESON. I think it was the great pressure under which the British are laboring, and the rather severe fright which the events of this winter have given them.

Senator GEORGE. I know the stress of the British Empire, Mr. Secretary, but I do not think Britain is going down and under by any sort of means. In fact, if she can unload a few more problems of this kind on us or someone else, she is going to be stronger than she has been since before World War I.

Secretary ACHESON. I should doubt that very much, Senator.

Senator GEORGE. You do?

Secretary ACHESON. Very much. I think the British are infinitely weaker than they were before World War I.

Senator GEORGE. I know, but I said, if they could unload a few more problems of this kind.

Secretary ACHESON. It is not that. That is not the basic British trouble.

Senator GEORGE. You say the Secretary of War went into the question of the source of the supplies, the military supplies and equipment and so forth, that were to be furnished to both Greece and Turkey?

Secretary ACHESON. Yes, sir.

Senator GEORGE. And that is fully covered in the record?

Secretary ACHESON. That is in his testimony; yes, sir.

Senator GEORGE. The testimony of the Secretary of War?

Secretary ACHESON. Yes, sir.

#### EFFECT OF THE DEATH OF THE KING

The CHAIRMAN. Before I turn you over to someone else, will you comment on what the effect the death of the King has upon this situation?

Secretary ACHESON. I do not think I can. I just heard it as I came in the door of the committee room. A reporter told me he died of a heart attack.

Senator CONNALLY. You cannot blame him much, can you?

Secretary ACHESON. We have had no official information about it.

## THE BRITISH ARE GETTING OUT

SENATOR CONNALLY. Mr. Secretary, in connection with Senator George's questions, regardless of whether the British did the right thing or not, and regardless of the time factor and all that, the fact remains that they are getting out and the fact remains that it is just up to us as to whether we want to go in or whether we do not. That is all there is to it, is it not?

SECRETARY ACHESON. Yes, sir.

SENATOR CONNALLY. Facts are facts and realities are realities.

SENATOR GEORGE. You say they are getting out, Mr. Secretary. You have only their note for that.

SECRETARY ACHESON. They are stopping as of the 31st of March the payments which they have been making except for the ones that I have mentioned.

THE CHAIRMAN. When will they withdraw the troops?

SECRETARY ACHESON. I think what they stated was that they expected them to be withdrawn in the near future.

(Discussion was continued off the record.)

## U.S. SUPPLIES FOR RUSSIA

THE CHAIRMAN. Senator Lodge?

SENATOR LODGE. I have two or three questions. Here is a brief paragraph from a letter that I received and which is typical of a lot of questions that I get. I will read it:

What I want to know is why, when we are being propagandized at every turn, and in every column of the newspapers, on the menace of Russia, and the need for preparing to withstand her attack upon us, we are supplying every conceivable element that country will require to use against us—if that be Russia's aim? Only a short time ago, a year, perhaps, the Springfield Republican carried a photograph of one of three of the largest seagoing cranes ever built which were being towed across the Atlantic to Russia—supplied from twenty owned by the United States Army. Only this winter the newspapers printed photographs of one of the three largest electric generators ever built, all going to Russia. On March 15, my brother-in-law was in a large plant in Pennsylvania which is shipping four carloads of tractors each day—to Russia.

He adds:

Those supergenerators were built right here in the Berkshires, in the General Electric plant in Pittsfield.

Those questions are awfully embarrassing. Why do we go on sending them all those things?

SECRETARY ACHESON. I think the items which have been listed in that letter are of two different categories. My strong suspicion is that the tractors have been cash purchases by the Russian Government, which we have not undertaken to embargo. The other items are undoubtedly what is called the lend-lease pipeline. That is the situation in which the unhappy people in charge were going to be in trouble whatever they did. At the end of the war there was, under lend-lease, a series of orders in partial state of completion. These orders had been made to Russian specifications, which are different from American. We negotiated with the Russians and entered into a contract with them that they would buy and pay for these items, and they were given credit and they will repay that credit.



It seemed to us that that was a sound thing to do. We could either have done that or you could have canceled the orders and had the U.S. Treasury pay the damage to the producer who had put a certain amount into these contracts and had a certain amount of claim for anticipated profit. It seemed to us better to have the Russians take over the contracts and pay for them, and this was not military equipment. This was all industrial equipment. So we did that.

I think the progress of those shipments has been stopped by reason of the interpretation which the Comptroller General has put on some legislation of the last Congress, which forbade the use of any appropriated funds to carry out these orders, and that interfered with the activities of some of the procurement divisions. I am not thoroughly familiar with what happened. Those are held up pending the clarification of what this last legislation was.

Senator LODGE. Do you presume they paid for these generators and went in and bought them?

Secretary ACHESON. I should suppose those were probably under the lend-lease arrangement, the liquidation of lend-lease order on V-J Day.

Senator LODGE. So we will not see a continuation of that?

Secretary ACHESON. No. These are certain specific orders which were in course of manufacture, and our contract with the Russians requires that they take these over and pay for them over a period of time.

#### LEND-LEASE SETTLEMENT FOR RUSSIA

Senator WILEY. How are we getting along with our lend-lease settlement with Russia?

Secretary ACHESON. We are not getting on with it at all.

Senator WILEY. So these went along with the rest of the orders, and we are not getting paid for any of it?

Secretary ACHESON. We have a contract on the uncompleted items, but on the delivery before V-J Day, although we have sent many notes to the Russians, we have not made any progress, and that matter is under discussion in Moscow.

The CHAIRMAN. Let us get that clear. Since V-J Day everything is being paid for?

Secretary ACHESON. Yes, sir. We stopped all deliveries on V-J Day except those which were at sea at the time. Everything which was on the books of a noncombat military type, the Russians then took over and agreed to pay for, and they are now receiving that, or were until it was stopped by this act of Congress, and have agreed to pay for it over a period of years.

The CHAIRMAN. What will be the explanation of that big plane?

Senator LODGE. That was a crane, not a plane—three seagoing cranes.

You can see why that is very baffling to the average newspaper reader.

Secretary ACHESON. Yes, sir.

#### ATTITUDE OF NONCOMMUNIST NATIONS

Senator LODGE. What do the non-Communist nations think about this adventure of ours? Can they not help out to some extent to carry



some of the financial load, or indicate some sign of non-Communist solidarity about this thing?

Secretary ACHESON. Well, the non-Communist nations in Europe are very much cheered up by this action. We have reports from Italy and France that this has made a very great impression. So far as the nations that you have in mind, such as Canada and possibly Australia, we have made some inquiries and we do not think the prospects are very good.

Senator LODGE. They think it is a good idea, but they do not favor the closed shop?

Senator CONNALLY. They think we are going to do it, and why should they bother?

Secretary ACHESON. I think that is the idea.

Senator LODGE. They could afford to make a contribution.

Secretary ACHESON. They could make a small one. The Canadian contribution throughout has been very small.

#### OIL FROM THE NEAR EAST

Senator WILEY. What percentage of oil is furnished to our Navy by these oil sources in the Near East?

Secretary ACHESON. I cannot answer that, Senator Wiley. I can find out from the Navy Department and give you the figure.

Senator WILEY. I understand it is a large percentage, is it not?

Secretary ACHESON. I really do not know.

Senator WILEY. Our interest is in oil and whatever other strategic material is furnished in the Near East?

Secretary ACHESON. I think that is the only material which is furnished by that area to us.

Senator WILEY. Do you know how much oil is being furnished to our planes that remain in the Near East and Africa, or wherever they are?

Secretary ACHESON. No.

Senator WILEY. By the Near East production wells? You do not know that?

Secretary ACHESON. No. If you wish those figures, I will get them from the Army and Navy.

#### THE QUESTION OF U.S. SELF-INTEREST

Senator WILEY. Well, of course, I asked certain questions, and I understand from Senator Vandenberg that they have been answered in writing. I feel that the American people are not as dumb as we sometimes assume they are. The question of self-interest here is the dominant factor. It is not simply feeding the Greeks. We had a showing here that the Greeks were morally and in every other way more or less depleted. It is a question of national self-interest, of stopping the onrush of an ideology that we think is in conflict with us all over the world.

Now, it seems to me that we should say that, and we should show why it is important that we go in and assist Turkey and Greece, because in doing that we are contributing to advancing our objective, and our objective must be to see to it that in case of another world conflict it is not fought on the American coast or in America. We must see to it

that if we have to fight all over the world, we have something with which to fight, and that is oil. That is strategic material. We have depleted our own in the last world war to such an extent that nobody knows what the cost is going to be to us in the future. I think you ought to call a spade a spade. Otherwise I don't think that you can get the American people to understand. You have given Greece \$700 million. How many people live in Greece?

Secretary ACHESON. Seven and a half million.

Senator WILEY. Then you have all the rest of these people coming to us and saying, "By George, the Communists are about to eat us up. You had better feed us if we are going to be on your side." That is the psychological situation you are going to face that is going to pour in on you in an endless stream.

#### QUESTION OF NEGOTIATING WITH RUSSIA

Senator SMITH. Do you not have this further thing in the picture, that we feel by taking this stand now that we will press Russia to really sit down with us and settle some of these differences? Do we not really feel that they have been letting things drift along, vetoing everything we want to do, trying to block any settlement that we feel is right, both in the German question and everywhere else, and that this move will help them see that we mean business and they will really sit down at a table and iron things out? Is that really the picture? Are we thinking in terms of sitting down with the Russian officials, even the President with Stalin, at some kind of a party and saying, "Here, let's get this straightened out"? Is that in our policy?

Secretary ACHESON. Senator, I think it is a mistake to believe that you can, at any time, sit down with the Russians and solve questions. I do not think that is the way that our problems are going to be worked out with the Russians. I think they will have to be worked out over a long period of time and by always indicating to the Russians that we are quite aware of what our own interests are and that we are quite firm about them and quite prepared to take necessary action. Then I think solutions will become possible.

Senator SMITH. You are not planning any early participation for the settlement of the issues?

Secretary ACHESON. You cannot sit down with them.

#### AMENDMENTS TO THE BILL

The CHAIRMAN. There is one point of policy that I would like to settle before the Secretary leaves. The committee has to go to work actually on writing up the bill, I hope tomorrow. I have a file of amendments here, 15 or 20 of them. Senator Pepper yesterday, in behalf of himself and Senator Murray and some others, said they wanted to appear before this committee in connection with their amendments. If that is going to be done, we are going to be here the rest of the week without any chance to go to work on the bill itself.

I very frankly said to Senator Pepper that my own view was that any amendments they had they would probably want to discuss on the floor of the Senate anyway, and that I was very much afraid we had gone as far as we could go in expanding the time we could give to hear-

ings; that if we were going to come within even remote gunshot of the necessary objective, we would have to go to work on the bill.

I do not want to take the responsibility of saying to these Senators that we would not reopen the hearings here for them unless that is the view of the committee. What I wanted to say to the Secretary was that I hope very much that either he or someone representing him could sit with us when we do write up the bill, so that we can be working on that aspect.

Now, what does the committee say about procedure?

Senator SMITH. Senator Pepper did not want an open hearing, I take it.

The CHAIRMAN. No. He and three other Senators want to discuss these 15 or so amendments.

Senator BARKLEY. Have they offered all 15?

The CHAIRMAN. Mr. Murray has eight amendments. Senator Pepper's amendment is not here. I understood from him there would be one. Then there are the Johnson amendments, four in number, and Senator Ball has some amendments. I just do not see how we are going to unravel them.

Senator BARKLEY. If we let Pepper come in and talk about his, I do not see how we can deny the rest of them the right if they want to come and testify about theirs.

The CHAIRMAN. What is your opinion as to what we ought to do?

Senator BARKLEY. Is there any assurance that they would accept the committee's action as final on their amendments and not reintroduce them in the Senate? If there is, we might save a little time by letting them come. But I do not know of any way to get that assurance.

The CHAIRMAN. What would you suggest we do?

Senator BARKLEY. Personally, I know how embarrassing it is to say to Senators, "You cannot come before the committee." I do not see how we can avoid giving them a day. We can certainly do that in one morning. It might save time, and would undoubtedly save feelings.

Senator HATCH. As a matter of fact, Mr. Chairman, would not the committee be laying itself open to wide-open attack on the floor and elsewhere if we refused to hear Senators in good faith on an important subject like this?

The CHAIRMAN. It is quite clear what your view is on the subject. We may have to revise our timetable. If we do not get on the floor next Monday, I do not know when we will.

Senator HATCH. Could you not fix some time limits on them?

The CHAIRMAN. Let me have a concrete proposal.

Senator BARKLEY. Well, why do we not sit this afternoon?

Senator WILEY. I so move.

The CHAIRMAN. It is moved that when we recess we reconvene at 1:30 and invite the Senators.

### THREE INTERESTING QUESTIONS

Senator LODGE. I still have three questions I would like to ask the Secretary. Every time I start in, my questions are so interesting that they suggest something to somebody else.

The CHAIRMAN. It is the order that we will meet at 2 o'clock, and we will notify immediately Senator Pepper that we will hear him and anyone else who has amendments.



Senator BARKLEY. I suggest that you notify Senators Pepper, Murray, Johnson, and Ball that if they wish to appear in behalf of the amendments, we will hear them at a session beginning at 2 o'clock.

The CHAIRMAN. And we will request that they be as concise as possible in their statements.

I understand Senator Lodge wants Secretary Patterson in executive session. Is that correct?

Senator LODGE. I would, yes.

The CHAIRMAN. Suppose we try to have Secretary Patterson here tomorrow morning. I would like to get to work on the bill pretty soon. I do not want to cut anybody off.

Senator LODGE. May I finish these few questions now?

The CHAIRMAN. Yes. I have to go to the floor. I will ask Senator Connally to take over. I will be back as soon as I get the Senate opened. I hope we can finish with Mr. Porter before we recess this noon.

Senator LODGE. My questions will not take very long.

The CHAIRMAN. Then, Mr. Secretary, I think we can really plan on starting to do business some time tomorrow morning. We will have the Secretary of War here for Senator Lodge.

All right, Senator Lodge.

#### BRITISH PLAN OF WITHDRAWAL

Senator LODGE. The British have decided to withdraw their support in Greece and Turkey and in a number of other places around the world. Was there an overall British plan of withdrawal which we saw and knew anything about?

Secretary ACHESON. No; only so far as we knew publicly what they were doing in India and Burma and Egypt and Palestine.

Senator LODGE. Are they withdrawing their troops from Palestine?

Secretary ACHESON. We do not know. They have left the whole question up to the United Nations and they have asked the United Nations' General Assembly to make recommendations as to the future of Palestine. I think they are about to ask for a special session of the General Assembly to appoint a group to make recommendations for the General Assembly meeting in September.

Senator LODGE. So we do not know in detail why they decided to withdraw in one place ahead of another, or why they decided to withdraw more in one place than in another?

Secretary ACHESON. Not through any communication of theirs. I think our general knowledge makes it pretty clear why they are acting as they are in these various places.

#### PAYMENT OF THE COST OF BRITISH ARMY IN GREECE

Senator LODGE. Do you know who paid the costs of the British Army in Greece? Was it the British or the Greeks?

Secretary ACHESON. It was both. The British paid all the direct costs of the Army. The Greeks furnished certain supplies to the British Army for which the Greeks charged the British. The British purchased certain imports for the Greeks, paying for them in sterling, and have offset those purchases against what they owe the Greeks, so that the pay of the troops and the upkeep of the troops in that sense had been paid out of the British Treasury, and the local supplies which the



troops have consumed has really been paid by the British because they have purchased something else from the Greeks and struck a balance.

Senator LODGE. That concludes my questioning. Thank you very much.

#### IMPACT OF TRUMAN MESSAGE ON RUSSIA

Senator WILEY. What is the effect, so far as we know, upon the Russians in Moscow since President Truman's remarks and this agreement has come in here? Have you any inside information?

Secretary ACHESON. There has been no outward effect of any sort so far as the official Russian policy is concerned. It has not been mentioned. Nor has it affected the negotiations in any way, so far as we can see. The inspired newspaper comment in Russia is regarded by all observers as being unusually cautious instead of the rather tremendous blast which they have usually given out. They have approached this with a great deal of caution.

#### SUDDENNESS OF CRISIS

Senator HATCH. Senator George went into one matter that has puzzled, I think, all of us greatly, and that is the suddenness with which this crisis arose. I gathered from your remarks this morning that the division between the British Foreign Office and the Treasury might have precipitated a situation where the British themselves did not have a definite policy.

(Discussion was off the record.)

The CHAIRMAN. Thank you, Mr. Secretary. We will see you or your representative in the morning.

Mr. PORTER, I wonder what else the committee wants to ask you about, or are there some further things you want to say?

Mr. PORTER. I do not think so. I think Mr. Clayton and Mr. Acheson have covered it.

The CHAIRMAN. Senator Connally?

Senator CONNALLY. I was not here when you began. Did you cover this border situation in your testimony?

Mr. PORTER. No, sir. Our mission, Senator Connally, was not concerned with the political aspects of the problem.

Senator CONNALLY. That is the UNO Commission?

Mr. PORTER. We merely undertook to examine the economic difficulties of Greece.

#### U.S. AID TO GREECE SINCE THE WAR

Senator LODGE. Mr. Chairman, I wonder if we could have for the record, either from Mr. Porter or Mr. Clayton, a concise statement in tabular form of just exactly how much money we have sent over to Greece since the end of the war.

Mr. PORTER. Yes, sir. That can be supplied.

The CHAIRMAN. I am advised that that is in the questionnaire, and is answered in the questionnaire.

Mr. PORTER. I think it is.

Senator LODGE. I have nothing more.

Senator GEORGE. Did you see the Greek Army?

## THE GREEK ARMY

Mr. PORTER. I saw, Senator George, a great number of the Greek troops at various points in Macedonia, Peloponnesus, and Athens. Senator GEORGE. Were they being trained?

Mr. PORTER. I made no particular inquiry into that. I did not go to their barracks or training camps. I saw them on the highways. I saw them on trains, and we had a military escort when we went up near the Bulgarian border. But I made no inquiry as to the competence or the training program of the Army.

Senator GEORGE. Did you ascertain how many they had in the Greek Army?

Mr. PORTER. Yes. The total Greek forces under their present program, including the Army and gendarmerie, I believe number around 165,000.

## CONDITIONS ALONG BULGARIAN BORDER

Senator CONNALLY. You did go up on the Bulgarian border, you say?

Mr. PORTER. We got to a village called Ioniza, outside of Salonika. We went up there to examine some of the irrigation works.

Senator CONNALLY. How did you find conditions there? If you go through a country you get some idea of what is going on.

Mr. PORTER. Senator, we were there at a season of the year when there was not much agricultural activity. It was in January and February. But the road system was unbelievably bad; there is a lack of maintenance on many of the hydraulic dams that can be repaired and should be repaired. But there was a great deal of vitality among the agricultural cooperatives and the agricultural banks in planning for the next year's crop.

## ORDER IN THE COUNTRY

Senator CONNALLY. Was the country orderly, or were the bands raising the devil?

Mr. PORTER. Senator, I felt that there was not only in the provinces that we visited but throughout all Greece a very definite state of fear. We visited villages where some of them had been raided by bandits. I talked to merchants at Salonika and other places in Macedonia who were complaining that they could not get goods transported because of the fear that they would be seized by the bandit groups. So the country is, to a certain extent, in a state of war.

Senator SMITH. Have you any comment to make, Mr. Porter, on this news of the death of the King?

Mr. PORTER. No, sir.

## STRENGTH OF KING

Senator SMITH. I wondered how strong the King was in the picture and whether there was any setup for succession.

Mr. PORTER. It is my understanding that under the constitutional system Prince Paul would succeed him. What will happen I have no views about.

Senator SMITH. Did you get the impression from your visit there that the Government was fairly well set up? I get so many letters

from people who say "This Greek Government is no good. Why should we bolster it?"

(Discussion was off the record.)

The CHAIRMAN. Thank you, Mr. Porter.

The committee will recess until 2 o'clock.

(Whereupon, at 12:25 p.m., a recess was taken until 2 p.m. of the same day.)

#### AFTER RECESS

The session convened at 2 p.m., Senator Arthur H. Vandenberg, chairman, presiding.

The CHAIRMAN. Let us come to order. Senator Ball was here first. Senator Ball, what have you to say?

#### STATEMENT OF HON. JOSEPH H. BALL, SENATOR FROM MINNESOTA

Senator BALL. Mr. Chairman and gentlemen of the committee: I offered this amendment which the drafting counsel prepared to require confirmation of the Commissioner in each case who would administer this assistance to both Greece and Turkey. I suppose they would be separate Commissioners. I do not know whether the President or the committee would rather have a commission of several members or a single commissioner. It does not make any difference to me. It did seem to me that this was a very radical departure in our foreign policy, and that inasmuch as the Congress bears the major responsibility in that field, particularly the Senate, we should take a look at the individual or individuals who are going to administer it.

Personally, I would hate to see an American mission charged with the responsibility and the authority that they will have under this legislation, for instance, go over there and insist on a coalition government. If they invite these armed Communists into the government, that will be disastrous, because it seems to me that every time that kind of coalition government has been formed it has wound up with the Communists running the show, because they pursue a rule or ruin policy which puts all the other groups that proceed according to democratic rules at a disadvantage. That is one of the things of which I was thinking.

I also hope that this time we can avoid, as we did not avoid in lend lease, the wasteful expenditure of these funds that we are appropriating. I am now on the Appropriations Committee, and I know how tough it is to cut the budget either four and a half or \$6 billion, and this is \$400 million, which isn't hay. As I think some Senator mentioned on the floor, he hoped that this time it would not go to provide big shiny automobiles for the people in the government over there who have a little something to do with the funds.

I think we should give this mission, the Americans who supervise it, the widest possible authority and direction, and specific directions, and then see that we get a look at them before they are invested with that authority.

Senator SMITH. Do you think we should confirm the whole commission or just the head man?

Senator BALL. If it is a commission that is going to act jointly, I

would say confirm the whole commission. I do not know what the preference will be. Generally I favor a single individual, where you can pin down responsibility. If it is a single individual and he is responsible, directly under the President, we should confirm him.

The CHAIRMAN. I think you will find the committee favors confirmation and also favors following through. We are much obliged, Senator. Thank you.

Senator BALL. Thank you.

The CHAIRMAN. Senator Johnson, you were next.

## STATEMENT OF HON. EDWIN C. JOHNSON, SENATOR FROM COLORADO

Senator JOHNSON. I have several amendments, Mr. Chairman, but I will be very brief and try not to consume any more of the time than absolutely necessary of the committee. I appreciate this opportunity of speaking to the committee and calling to your attention the amendments which I have submitted. I have submitted them in the interest of improving the proposal, if that can be done.

### LIMITATIONS FOR NEW U.S. FOREIGN POLICY

My first amendment, which I will read, is brief:

(a) Nothing in this Act shall be construed to imply that the Government of the United States has adopted as its policy in international affairs (a) intervention in civil strife, civil war, or political conflicts in foreign countries; or (b) unilateral action, either now or in the future, in disregard of its obligations to the United Nations.

(b) The Congress hereby reaffirms the basic policy of the United States to bring before the United Nations all economic, political, or military conditions which may endanger the peace of the world.

### A. NONINTERVENTION IN FOREIGN CIVIL STRIFE

I bring that amendment up first because it is the most important amendment of the five that I am proposing. My reasons for fearing that the United States is adopting a new foreign policy which will interfere or which will take sides in civil strife and civil war, my fear of this sort of intervention, are caused by what the President said in his historic presentation of the matter to the Congress. I want to briefly refer to just a few paragraphs.

He said:

I am fully aware of the broad implications involved if the United States extends assistance to Greece and Turkey and I shall discuss these implications with you at this time.

Of course, that merely shows that he did have a complete understanding of this new procedure in international affairs and in foreign affairs.

Then he goes on in his discussion of the implications, as he designates them, and I find this paragraph:

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

That "or" in there, of course, is very significant, because in that "by outside pressures" we know, of course, that he refers to international



matters. But in the first part of the paragraph he says, "I believe it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities," and that is the paragraph to which I am pointing in the amendment which I am submitting to you here and now, that the foreign policy of this country has never been heretofore to intervene in civil strife within a country. Of course, he places a limitation by saying "armed minorities," but even so I do not think that we ought to adopt as our policy any such intervention. And so I say in my proposed amendment, "Nothing in this act shall be construed to imply that the Government of the United States has adopted as its policy in international affairs \* \* \*". That is, we are not making a departure. This Greek-Turkish thing, or this Greek affair, is the exception, and while we are doing it in this case we do not want that to be thought of as a permanent policy.

The President goes on and he makes a very wise observation. He says, "The world is not static and the status quo is not sacred." Well, of course, that agrees with the patron saint of the Democratic Party, Thomas Jefferson, who did not look with too much disfavor upon a revolution occasionally where that is the only way that conditions could be improved.

#### B. U.S. RELATIONS WITH THE U.N.

The last part of my amendment pertains to tying up our action with the United Nations, and since I introduced my amendment I notice in the press that the chairman of this committee has offered an amendment which effectively does tie up whatever action the Congress and the United States take with the United Nations. I think that is a very splendid amendment. It at least gives the United Nations the power to tell us if we are on the wrong track if they want to do it. If they do not want to do it, that is something else. But it does at least give them the opportunity in an official way to call our attention to our wrong methods, so I am very pleased that the chairman of this committee did offer that amendment, and I sincerely hope that it will be adopted by the committee.

Senator BARKLEY. Let me ask you right there, if I may, Senator: I have not studied the amendment you are talking about. I glanced over it yesterday. My recollection of one part of it is that it authorizes the Assembly of the United Nations by a majority vote to pass a resolution that we shall get out, in effect. If it be admitted that the United Nations is not equipped at present, either financially or with authority to deal with the situation which this resolution attempts to deal with, and we go in there under the theory that we are the only agency that can do this, if it could be conceived that in the midst of our operation, after we had been in there 3 months or 6 months or 9 months, that the United Nations should, through its General Assembly, by a majority vote, say we should get out, what sort of position would that leave us in?

On the surface it strikes me that it authorizes a body that cannot deal with it now to say to us, after we have gotten started and before we get through, "You can't do it either. You have got to quit."

It is inconceivable to me that the General Assembly would adopt

such a resolution as that, but it is authorized to do it and bring a halt to all our activities over there if a majority should be whipped up to pass a resolution like that for any reason.

What is your reaction to that idea?

Senator JOHNSON. Of course, Senator, I did not come down here to testify or advocate the Senator's amendment. I simply referred to it in passing as dealing with the same thing I tried to deal with in my amendment. However, the Senator asks what kind of situation that would leave the United States in if something of that kind should happen. I would say it would leave the United Nations in a much worse position than it would the United States.

Senator BARKLEY. It would not help either one of them, would it?

Senator JOHNSON. It might very well. I do not know how we will proceed. It would all depend. I am sure the United Nations would not step in and call a halt unless we were doing something which was very offensive to the United Nations, and I have more faith in the United Nations than to believe that they would take any unwarranted action and an arbitrary position such as the Senator has outlined. Of course, if they did, such action would have to be judged on its own, and I would not be in a position to discuss it now.

Senator BARKLEY. I did not want to get into a controversy about it, except that I understood you to endorse the amendment, as a whole. That is the difficulty in my mind. I am as anxious as anybody in the world to preserve the dignity and integrity and preservation of the United Nations. I have been working all my life for the creation of such an organization, and I am for it 1,000 percent. But I also feel some obligation on my part, so far as my vote goes, to preserve the dignity and prestige of our own country in a field where it alone can act, and that is the theory upon which we are acting here now, and we are asked to do this because nobody else can do it and it needs to be done.

Theoretically, to give the United Nations the authority to stop us in a field that they cannot themselves occupy presents to me a little difficulty. I do not know what the amendment will look like after it is mulled over and we may have modified it. But I think that point bothers me, and I have expressed that state of mind to Senator Vandenberg in regard to it. I hope we can work it out so that it will clear up any fear that we may have as to any inconsistency between that and what we can do here, so I will desist from further controversy with you.

The CHAIRMAN. I do not think we ought to try to debate that this afternoon. I think there is a total answer to what you have said, but I will defer that until it is my turn to testify.

#### PROVISIONS FOR GREEK DEMOCRATIC GOVERNMENT

Senator JOHNSON. The next amendment which I have is an amendment which would provide freedom for the Greek people and an opportunity on their part to select a democratic government, something which I do not think they have at the present time. It is short, and I will just read it into the record:

As a condition precedent to the receipt of any assistance pursuant to this Act, the Government requesting such assistance shall agree (a) to abolish within

ninety days all hereditary offices and titles under such government; (b) to hold within ninety days free and democratic elections for the purpose of determining the chief executive officer of such government and the membership of its legislative body and to grant prior to such elections universal suffrage for all persons over the age of twenty-one; (c) to afford to all political parties full opportunity to participate and engage in election activities prior to the holding of such elections; and (d) to grant immediate amnesty to all political opponents of the persons or parties in control of the government requesting such assistance.

First, Greece is one of the few countries in the world today which does not have woman suffrage.

The purpose of this amendment, as I say, is to give them an opportunity to select a democratic government with our help, which the President emphasized in his message was one of the objectives of our help.

Senator SMITH. Might I ask the Senator this question: Your (a), there, "to abolish within 90 days all hereditary offices and titles under such government"—we did not require that of the British Government when we made the British loan.

Senator JOHNSON. No, we did not do that. We should not have done it. The situation is entirely different from that in Greece.

Senator BARKLEY. Does that amendment contemplate as a condition precedent that they shall adopt women suffrage, for instance, before they get this loan?

Senator JOHNSON. Their election shall be a free election for everyone over the age of 21.

Senator BARKLEY. That would require a change of their constitutional system and their election system; would it not?

Senator JOHNSON. I presume that that would not be a difficult obstacle.

#### GREEK FISCAL RESPONSIBILITIES

The next amendment is one which provides, in my opinion, for a prudent banking technique on the part of the U.S. Government. If we are going into the loan business, it seems to me that we ought to adopt some of the procedure that the banking industry has been forced to adopt on its own, and I should like to read that amendment also. It is very short:

As a condition precedent to the receipt of any loan pursuant to this Act, the government requesting such loan shall (a) register with the United States Treasury Department all holdings of gold held by such government, and by the nationals of such government, both at home and abroad; (b) register with the United States Treasury Department all foreign assets, stocks, bonds, or other holdings, of such government and of the nationals of such government; (c) make public the full foreign and domestic indebtedness of such government; and (d) relegate all foreign indebtedness of such government to a subordinate position to the indebtedness incurred pursuant to this Act.

The RFC follows that last technique in almost all of the loans that it approves; when it comes to the assistance of a bankrupt corporation it requires that bankrupt corporation to give a priority to the loan that is supposed to bail them out of their great difficulty. It seems to me that these are only prudent measures which should be observed by this country if we are going into the loan business.

#### EMPHASIS ON NONMILITARY CHARACTER OF AID

The next amendment I think does not require any explanation. It is technical. What it does is to provide for relief, but not military relief,



and it strikes out every place in the bill any reference to military relief, and it makes it plain and inserts in certain places in the bill the word "nonmilitary."

EXCLUSION OF TURKEY FROM AID BILL

The last amendment is another amendment which is technical. It strikes out certain words in certain lines throughout the bill, and its purpose is to confine this program to Greece, and does not include Turkey in the program. I noticed that Governor Dewey, according to the papers, when he endorsed the program, never mentioned Turkey at any time in his endorsement. He simply referred to Greece. The Turkish problem, of course, is a distinct and separate problem from the Greek problem. I did not have the opportunity which members of this committee had of hearing our U.S. Ambassador to Turkey, Mr. Edwin C. Wilson, in his testimony. The papers say that after his testimony has been properly watered down and diluted it will be served to the rest of us. Naturally you folk must know a great deal more about the military implications of the aid to Turkey than I do. But as for me, I simply do not like to see us extending military aid to Turkey.

As I understand the objective, it is to build a maginot line out there in the Dardanelles area, a stop Russia line. That may be a fine thing to do. I do not know as to that. I am not convinced that it is. I am not convinced that that is a good thing for the peace of the world, to attempt any such maneuver as that. But I know that if that is the objective, \$150 million is only a drop in the bucket, that it will require billions and billions and billions of dollars to get that job done, if that is our objective.

If we are going to enter into that sort of an enterprise, it seems to me the first thing that we should do would be to provide for great air fields. Of course, anyone can look at the map of Europe and he can see that Turkey is the key to the soft underbelly of the Russian Empire. That is just as plain as anything on earth can be. If we are going to make aggressive war against the Russian Empire, certainly Turkey would make the finest kind of springboard. But I do not know that we are committed to that kind of policy. I hope not. But we ought to have, certainly, full knowledge of what the objectives are, and they must be military. They cannot be economic. They cannot be anything else than a military objective. And it is a step which I dread to see these United States take at this time. I hope that they do not, and so I have offered my amendment to eliminate Turkey from all consideration of this bill.

That is all I have to say, Mr. Chairman, in regard to the amendments which I have proposed.

The CHAIRMAN. Thank you, sir.

You are next, Senator Pepper, in order of arrival.

STATEMENT OF HON. CLAUDE PEPPER, SENATOR FROM FLORIDA

Senator PEPPER. Thank you, Mr. Chairman, for the privilege of appearing before you.

As I break down the proposal that is now pending before the Congress, recommended by the President, it involves these proposals: First, that we send a military mission to Turkey, at least to train, I



assume, the Army or to perform some function appropriate to a military mission; that we also send a similar mission to Greece; that we also give—I have seen no reference to it being a loan; I have not understood that it was a loan—to Turkey \$150 million in the next 15 months, presumably to equip and support, to the extent that those funds will do so, the Turkish Army; also, to give to Greece \$150 million for the next 15 months to equip and support the Greek Army, which I have seen estimated at 125,000. I suppose our money would be the principal if not the exclusive support of the army.

Then, that we in the same period of 15 months let Greece have \$100 million for relief and reconstruction.

#### INTERNATIONAL AND NONMILITARY RELIEF FUND PROPOSED

Senator Taylor and I have introduced Senate Resolution 93, the substance of which is that the U.S. representative at the United Nations institute proposals for the establishment of an international fund for the relief and rehabilitation of Greece. Contributions by member nations will be voluntary, but the United Nations may recommend equitable quotas. A U.S. contribution of \$250 million is authorized. The international fund shall be subject to the following conditions:

(*a*) United Nations control; (*b*) relief to the civilian economy only; (*c*) the Greek Government must give assurances that supplies will be distributed without discrimination as to race, creed, or political belief; (*d*) the United Nations observers and representatives of press and radio of countries contributing to the fund must have full access to observe an report on the distribution of supplies; (*e*) the Greek Government must furnish pertinent information promptly; (*f*) the United Nations must make quarterly reports on the administration of the fund.

Pending the establishment of the international fund, the resolution provides for immediate advance of \$100 million by the Reconstruction Finance Corporation for the relief and rehabilitation of Greece under the control and administration of the United Nations.

As you will see, Mr. Chairman and gentlemen of the committee, we leave out any authority whatever to send a military mission to either Turkey or Greece, and to provide any fund for the support of either the Turkish or the Greek Armies. We propose, Mr. Chairman, that what we do by way of Greek aid shall be limited to a financial contribution to Greece. And we propose that this fund shall be administered through the United Nations organization.

#### FUND TO BE UNDER AUSPICES OF UNITED NATIONS

First let me talk about the relief fund, and then about the other aspects of the proposal.

The thing we are getting at is to discharge article 1 and article 2 of the United Nations Charter in this whole proposal of ours. And article 1, paragraph 1, reads as follows:

The purposes of the United Nations are: (1) To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means and in conformity with the principles of justice and international law, adjust-

ment or settlement of international disputes or situations which might lead to a breach of the peace.

(2) To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace.

(3) To achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights and for the fundamental freedoms for all without distinction as to race, sex, language or religion; and

(4) To be a center for harmonizing the actions of nations in the attainment of these common ends.

Now, Mr. Chairman, I would say in the beginning that all of us are anxious to make the United Nations succeed. If we do not make that organization succeed, we are right back where we were at the beginning of World War II, and nobody can calculate the terror of the future ahead of all mankind.

#### AMERICAN PEOPLE FAVOR NEUTRAL AID

The Gallup poll, just published on Friday, I think is very informative. It does say that 56 percent of the people answered "Yes" to this question: "Do you approve or disapprove of the bill asking for \$250 million to aid Greece?" Forty-nine percent answered "Yes" to the following question: "On the proposed \$150 million aid to Turkey?"

But down in the report appears the following, and I quote:

While approving Mr. Truman's general policy, the majority express regret that the problem of Greece was not put up to the United Nations in the beginning.

That is quoted. I am reading from this Washington Post article:

The country is anxious, however, to avoid military involvement of any kind in Greece. This is shown when the voters were asked whether they favor sending American military advisers to train the Greek and Turkish Armies. The replies were an overwhelming "No."

#### SUGGESTED PRECEDENTS FOR MILITARY AID

Now, Mr. President, I have a memorandum here from the Library of Congress, which I have requested be prepared. It is signed by Charles R. Gellner, General Research Section, and dated March 25, 1947.

I asked whether any precedent for the President's proposal that we send military missions to Turkey and to Greece and that we finance, partially or wholly, the armed forces of those countries, was set. Here is the first paragraph of this report:

#### PRECEDENTS FOR THE TRUMAN DOCTRINE

The proposals of President Truman for aid to Greece and Turkey include several points: (1) a loan for economic reconstruction; (2) a loan for military supply; (3) the detail of American civilian and military personnel to assist in reconstruction and to supervise the use of the financial assistance furnished; (4) the training of selected Greek and Turkish personnel. All this aid is within the general framework of an American policy to support free peoples resisting subjugation by armed minorities or outside pressures.

Strictly speaking, there is no precedent in the history of American diplomacy for such a comprehensive policy outside the western hemisphere. Yet, in one sense, the Monroe Doctrine, although originally applicable only to the western hemisphere, is a precedent for the present Truman Doctrine. The Monroe Doctrine embodied two concepts—first, in accordance with the American view of

the political and strategic realities of the nineteenth century, it was designed to exclude European colonization and European systems from any portion of the western hemisphere; second, it also promised that the United States would not interfere in the internal concerns of the European powers. It has been suggested that President Truman has merely projected the Monroe Doctrine into the political and strategic realities of the atomic age, that he is merely expanding the hemispheric strategic area idea of the Monroe Doctrine to its twentieth century boundaries. At the same time, President Truman's proposal could be interpreted as running counter to the second concept of the Monroe Doctrine, namely, that America would not interfere with Europe.

The only case that is suggestive of a precedent that Mr. Gellner gives here is our action in China since the policy of the Open Door. He does mention that that might possibly be considered a precedent. Later on he goes on to show that we lent some money to China before we got into the war, and finally we sent some Public Health and technical advisers, including Mr. Lauchlin Currie, we recall, to aid the Government of China in working out their fiscal policy; and then in August of 1941, which of course was after Lend-Lease in March of 1941, President Roosevelt sent a military mission to China.

#### NO STATUTORY PRECEDENT

Now, it may be that under the Constitution the President has authority to send military missions to any country in the world, or to the army of any country in the world. However, we have a statutory precedent that seems to indicate that Congress feels to the contrary, because since I believe in 1926 we have had legislation on the statute books which permits the U.S. Government to send military missions to South America, to countries in the Western Hemisphere.

There is pending today in the Congress a bill authorizing the Government to send military missions to other countries, but that legislation has not yet been enacted by the Congress.

Now then, I remember when I was in Syria in 1945, in the company of our Minister, the Prime Minister and the Foreign Minister appealed to us to see if we could not get the U.S. Government to send even a little handful of American officers over there to his government.

Senator WILEY. Where was that?

Senator PEPPER. That was in Damascus. They said they were having trouble getting British and French troops out of Syria. The French were telling the people that they were going to stay there, that we had abandoned them and were not going to help them, and if they could just get a little cluster of officers from America, what it would mean in an effort to gain their end.

They said repeatedly that our Government had advised that it did not have authority to send a military mission outside the Western Hemisphere, and therefore, although we were sympathetic with them, we could not send them a military mission.

#### SERIOUS IMPLICATIONS SURROUND MILITARY AID

Now, gentlemen, it is a rather serious thing, therefore, for us to extend, so far as I can tell for the first time, this authority to send a military mission to armed forces outside the Western Hemisphere.

In the second place, obviously whether the Turkish Army has 400,000 or 500,000 in it—I do not know how many forces this \$150,-



000,000 for the next 15 months is supposed to maintain; I do not know what percentage of the cost of maintaining the whole Turkish Army, estimated at 600,000, our money will provide. But I venture to believe that whether they have \$150,000,000 more or less for their Army is not going to determine whether Russia will threaten the security of that country.

Not only that, but under this United Nations Charter, if Turkey is attacked by Russia and the United Nations is not in collapse, and the members of the United Nations are not to violate their obligations to stand up collectively for security, how can we avoid going to the defense of Turkey anyway? And surely I would prefer to wait, to meet that situation when it arises, when we will have a clear moral challenge, as we had at Pearl Harbor and on other occasions, rather than appear to anticipate or to invite military action in the area by ourselves being the first to put indirectly armed forces into that area.

#### U.N. OBLIGATION TO SOLVE RUSSO-TURKISH DISPUTES

The Charter of the United Nations contemplates that there will be an effort toward peaceful settlement of prospective or existing disputes. I think there is no reason to deny on the part of any of us that the controversy there is not communism in Turkey. I spent 2 or 3 days there. I think everybody will tell you that that government, while it has opposition, has done a great job. It has done the finest job that has been done amongst what we usually call the backward peoples of the world. They have made great progress toward democracy, and I think they to a considerable degree recognize democracy. They have women's rights in Turkey. I saw several ladies who were members of the assembly. They are not threatened with communism overturning their government from within. Their only danger to Turkey is from without. It is because Russia has made a demand upon them that the four Black Sea powers—Turkey, Romania, Bulgaria, and Russia—have the exclusive say-so about the control of the Dardanelles, and we, I suppose, fear that either in that area or in Ardahan they might use force.

Well now, is it wise for us to anticipate the exertion of force by Russia, either by sending an armed force in there ourselves or by furnishing the money for the Turks to maintain an armed force in that area? Would it not be very much better that we try to find methods here to solve this dispute through the instrumentality of the United Nations?

That dispute about the Dardanelles is in process of conciliation right now. The Russians made their demand; and Turks resisted it, and there have been proposals and counterproposals have been presented, and it is one of the things now that has been considered—a revision of the Montreux Convention. It is in process of consideration now among the major powers, and I have heard of no recent great threatening force delivered to Turkey by Russia.

So if we are going to settle the problem of the Dardanelles, it does seem to me we are not a party to the Montreux Convention and it should not be a unilateral settlement between us and Russia, and if Russia threatens by force the Dardanelles, it is surely in the first instance, at least, a matter of collective responsibility for the United Nations obligation, and until that collective responsibility fails I



believe that we ought not, directly or indirectly, go outside of the organization to try to handle the matter by unilateral action.

#### U.N. PRESSURE REMOVED RUSSIAN TROOPS FROM IRAN

I think of the analogy of Iran. There were troops in Iran, Russian troops. It was alleged by Iran then to the U.N. that they violated the sovereignty of Iran. When I was out there, they were trying to get everybody's troops out of Iran, and the Russians, in violation of their treaty, stayed over when the British left. We and the British did not send our troops back into Iran and say, "Well, the Russians won't leave, hence we are going back." We moved against Russia through public opinion and through the instrumentality of the United Nations, and finally so much pressure was put on Russia by doggedly keeping that matter on the agenda of the United Nations that Russia eventually yielded to that pressure without a soldier being advanced and without a dollar being put out, so far as I know, by the country into the Iranian Army. Russia finally left the soil where they had no right to be and that was a great victory.

I think also the U.N. was responsible for getting French and British troops out of Syria. So the United Nations has some victories to its credit. I recall that the League of Nations was periodically weakened as the powers started to make compacts, such as Locarno and others, outside the scope of the League of Nations itself, and started off on these collateral settlements of the European situation rather than proceeding through the League of Nations itself. So I think that what we are doing here is weakening the United Nations by going outside of it in an effort to find, as the charter commands us to do, some way of adjusting this dispute or resisting this threat.

#### U.N. COMMISSION STUDYING AGGRESSION IN GREECE

In Greece we have just been told by Senator Austin, and we know otherwise, that there has been this commission out there. This matter is already within the jurisdiction of the United Nations Organization, formally brought there by Greece, alleging that the sovereignty is being violated by aggression across her northern border, presumably from Yugoslavia and Bulgaria, and maybe some also from Albania. A commission is over there. It is now writing up its reporting for presentation to the United Nations Organization. When that report comes back, I presume the United Nations Organization will take it up and act upon it. It may be that they will never be able to find any solution of it. They may be unable to go forward in protecting Greece. But they have not yet failed. And it seems to me that the threat of 13,000 of these guerrillas could not be so great. They tell me now that the very moral influence of that commission going out there has been such that these infiltrations have been very greatly diminished if not curtailed almost entirely. And I do not see, at the present time, such a threat that 13,000 people up in the mountains are going to take over and become dominant in Greece so that it justifies us in violating one of our own precedents and beginning to support the Greek Army in that country.

## DOES GREEK SITUATION WARRANT U.S. MILITARY ASSISTANCE?

As Mayor La Guardia said here the other day, once you get into that situation, how will you ever be able to get out? I will just say that.

When I was in London I was given the name, through Herbert Agar, of a British colonel in Greece. My recollection is that he is either related to Mrs. Agar or a friend of the family. And this officer by invitation came and talked to me in Athens, and I asked him, was Russia really trying to take over that country?

This officer had been the liaison in the mountains with the Greek guerrillas that were fighting the Germans. He said that there were undoubtedly some Communists among them, "But, Senator," he said, "the great part of those people are sincere, patriotic people. They are intellectuals; a lot of them are students. They belong to the intelligentsia. A lot of them are as patriotic men as exist anywhere in the world. They are striving toward what they believe to be democracy in their country." The most that has been said is that they have had some assistance from some of these Communist-dominated countries. They may have had some weapons, although I doubt if the volume of weapons they have had is very large. A lot of their weapons they got from the Allies, having been sent in there for use in fighting the Germans.

But I am saying, Is this border disturbance so serious as to justify the U.S. Government taking before the Greek people and before the world the primary responsibility for raising and equipping and maintaining a Greek Army in Greece?

I saw something of the British people when I was there. It does not make any difference how high the motives of one country in sending soldiers into another country, they are going to be attacked by a lot of people. They are going to be suspected. Their political situation there is controversial. They will euchre us to one side or the other. Either the rebels will decide we are on the side of the Government, King and all, and we will have a difficult time getting disassociated from them and everything they stand for or, if we try to go the other way, they will think we are on that side. We will find ourselves involved in a bitter struggle, not altogether unlike some foreign power intervening in our War Between the States here in this country. And, while civil war is bad, while it is terrible, yet we had one and we survived it, and in the long run it was better that we were let alone here. If somebody from Canada or Mexico had been aiding one side or the other, it might have been a matter of common concern to other nations.

## LET UNITED STATES BACK U.N. FOCUS

Yes, if there is aid going over these borders from Yugoslavia or Albania or Bulgaria or anybody else, let us stop it. If we have to send a patrol out there, a United Nations force out there, let them have "U.S." on one shoulder and "U.N." on the other. I know somebody in this world will send some soldiers along with ours if we have to send troops out there to make these bordering countries keep from exerting acts of aggressions against the Greek people on their territory. And I maintain that that can be stopped through the United Nations Organization, and if we do stop it, if we do meet this challenge to the United

Nations Organization, we will strengthen the organization, because it will have met another crisis.

We lawyers know we have a saying in the courts that hard cases make bad law. And if we let this hard case take us outside the United Nations at least without making a supreme effort in the United Nations, I doubt if it is going to solve Greece's problem and I think it is immeasurably going to weaken the United Nations Organization.

#### REAL NEED FOR RELIEF EXISTS

I talked with the UNRRA people out there and to the Government and to newspaper people and to lots of people. It is a tragic situation in Greece. The Germans were apparently aware that the Greeks threw them off their timetable. I heard General von Branchitz in Nuremberg say they were set to attack Russia on May 8 and the English moved into Greece and the Yugoslavs had a change of government, and Hitler ordered him to move into and occupy Yugoslavia and Greece. He said he pleaded with Hitler not to order him to do that without changing the timetable for attacking Russia, and he finally acceded to that, and we know they delayed the attack on Russia to June 22 from May 8, and that may have saved Moscow and may have been the turning point of the war. Evidently the Germans tried to vent their spleen on these Greek people by destroying their country in every possible way they could—the bridges, the highways, the roadways.

They told me that no matter if they did have food in some places, they could not get it to the others because they had no boats, no docks, no anything. So they need relief, and I am for it to the utmost. But I say again that relief can be given through the United Nations Organization.

#### U.S. POSITION INCONSISTENT

In the first place our position is a little inconsistent, Mr. Chairman. I have seen the resolution. I wrote to the United Nations Organization and asked that they send the proceedings of the Assembly last fall when the matter of an international relief fund was up. I do not have it here, but I read it, and Mayor LaGuardia gave the substance of it to the committee the other day, because he was the man that proposed it. This says, "LaGuardia proposed a United Nations emergency fund to Committee No. 2 of the United Nations on instructions from UNRRA Council at Geneva. He did this on November 11, 1946. Resolution 100 of UNRRA proposed an international control board appointed by the United Nations, and the cost of food relief would be distributed proportionally among the member nations of the U.N. It would also provide for receiving nations to participate by their exchange of their surplus commodities with other nations. The cost of the United States would be about \$174 million." That is pages 271 to 273 of the transcript of the record.

I had been told by some of our people who were there that LaGuardia had announced that when he went to Moscow he conferred with Stalin, because Stalin, as we know—the Russians—had not contributed to UNRRA, and there was a great deal of resentment about that. They had gotten \$250 million for White Russia and the Ukraine, and LaGuardia went to Stalin and asked him would Russia partici-



pate in a new international relief fund as a successor to UNRRA, which was destined to go, and my advice was that LaGuardia came back and announced that Russia had agreed to participate, either by furnishing raw materials or in some way to participate.

You will recall that I asked Mr. Acheson the other day when he appeared before this committee whether that was denied, and Mr. Acheson did not deny, as I recall, that he had heard also as I had heard that.

Canada and France and several other nations rather favor an international relief fund to be set up under the U.N. and participated in by several other nations, but the United States took the position at that time that we preferred to act unilaterally in this matter of relief, so I think that is rather the record.

#### PLACE RFC FUNDS AT UNITED NATIONS DISPOSAL

Now then, could we act through the United Nations Organization? This resolution here, if passed by Congress and signed by the President, would authorize the RFC to make immediately available \$100 million. I would suggest, although I have tried to leave a good little bit of leeway to the Government in working it out, that we would inform the Secretary General of the U.N. that we would put that money at the disposal of the U.N., with the request that other nations be inquired of, and that we meanwhile were inquiring of other nations to see whether they would join us or not in such an enterprise, this money to be used for relief purposes in Greece under a United Nations Commission to be appointed by the Secretary General, and to be agreed upon by the nations putting up the money.

My thought would be that the right way to do it—and I think it could all be done administratively under those circumstances—would be that the nations in the Commission governing the supervision of the fund would participate according to the way they participate in the contribution. If we are the only one that puts up the money, I think it should be exclusively an American Commission. That should be a point. If other nations join us, like Canada, and put up some money, they could participate in the Commission.

(Discussion off the record.)

Senator PEPPER. I know that the record shows that at the Assembly last year those countries were ready to participate in a general fund for relief.

Senator CONNALLY. That was a general fund. It was not any particular country, like this.

Senator PEPPER. That is right. I think, however, we would not be justified in limiting the fund we contributed through the U.N. Certainly you can make a gift upon any conditions you propose.

#### SPECIAL SESSION OF U.N. TO CONSIDER FINANCIAL AID TO GREECE

Meanwhile we contemplate that a special session of the U.N. be called. That can be done. I have inquired of the United Nations Secretariat. They tell me you can get a special session in approximately 45 days, and if one of the major powers asked for it, there is probably no question but that a special session would be convened. I am not



quite clear, but it is my impression that a special session is in progress of being convened now to deal with the Palestine question.

Senator BARKLEY. I do not think it has been called.

Senator PEPPER. It may be that the British have withdrawn their request.

Once it got together, then the question of raising an international fund for Greece could be considered and debated and determined. If the United Nations declines to provide a fund, then we have the choice left of whether we want to put up the whole thing through the U.N. or go it alone in trying to give relief to Greece.

But the FAO Commission, which just reported on Greece, as we know, has recommended a \$100 million loan from the World Bank. I do not see why that loan could not be made. The Bank has the money. We have the President of the Bank. We are the principal stockholder in the Bank. And surely now those things like building hydroelectric plants and repairing railroads and bridges and that kind of thing are the very thing that were contemplated as the function of that Bank.

Senator WILEY. Who recommended that loan?

Senator PEPPER. The Food and Agriculture Organization has just completed and published a study of the situation in Greece, and they recommended a \$100 million loan to Greece from the World Bank. I see no reason why that could not be put through. The Bank is now in existence. It has the money. I do not see any reason why it could not be put through immediately. And if the money is lost, we will not lose but a part of it, our share, although we are the major stockholder.

Senator SMITH. That just covers the agricultural end in Greece?

Senator PEPPER. No, Senator, that contemplates, as I understand it, also things like dams and permanent reconstruction and that kind of thing, not just agricultural development.

Senator SMITH. Irrigation, you mean?

Senator PEPPER. No. I mean this: They say one of the most productive expenditures that could be made in Greece would be to develop hydroelectric facilities in that country, because they have a lot of streams that could be turned into the production of hydroelectric power to increase the country's economy. Of course they need ships. We have let them have some ships. You remember Mayor LaGuardia raised the question of some of the railroads being privately owned. That might seem to be the proper subject of a loan.

Here we have a World Bank in existence, set up for this kind of thing, which could certainly, to a considerable extent, relieve us of a grant in this case which would aid the Greek people.

#### IF U.N. REFUSES AID, U.S. CAN GIVE IT UNILATERALLY

Now, then, if between now and the convening of the Assembly we do not want to go through the U.N. at all, we could give notice to the United Nations Organization that we were advancing directly enough money to give relief to Greece in her distress between now and, say, 90 days from now, 45 days being allowed for the convening of the special session and 45 days for the discussion of the matter after they shall have convened, and we could surely put up a few million dollars. It does not matter to me whether it is 25 or 50 or 100 million, but make it an initial grant of money for relief. Then put the problem in the lap of the United Nations Organization.

Let us take the lead in the United Nations in trying to solve it through the United Nations. Then, if they fail or if they refuse, we have a clear justification before our citizenry and the world in going in and giving relief to the people of Greece.

Mr. Chairman, there might be a little delay, although I do not see that it would be necessary. It would take more trouble. We would have less arbitraries in our control of the fund. We would have to worry along with a lot of these other people the way you always do in a cooperative effort. But would not everybody be so much, so immeasurably, better off by the United States not letting a hard case take it away from resort to the United Nations?

If we have to fight Russia, if we have to fight communism, if we have to border patrol the country, would we not be immeasurably stronger, morally as well as physically, in letting it be said that we acted through the mandate of the only organization the world has to keep the peace and to promote the welfare of the people?

So I feel very strongly that this decision that we are making is comparable to the lend-lease decision that we made. I had the honor to be a member of this committee when the lend-lease decision was made. I remember many members on this committee who are sitting at this table today—how they pondered and struggled in their hearts over that thing, because they knew what the implications were. I also knew what the implications were, although I vigorously advocated that. I was prepared to accept the implications if they had to be carried out. If they meant eventually that we had to go to war to keep Hitler from mastering the rest of the world, I was prepared to do it. I knew that the sooner and the more effectively we acted to prevent it, the better off we would be.

But at that time we did not have a United Nations organization through which we could work. Now we have it, and I think, as I think I saw one of the Senators sitting here say in the press, and as Senator Ball said when he announced the other day that he was prepared to support this, it may mean war with Russia, but he does not see any other way to do it.

#### BACKING OF UNITED NATIONS IMPERATIVE

I think if we embark the United States on this policy, commit ourselves to it the way we committed ourselves to the Monroe Doctrine and lend-lease, we had just as well be prepared to take the consequences of wherever it may lead us, and we ought to be candid enough with the American people to let them know the stark facts and the stark possibilities of our action.

If we get into involvement supporting the United Nations the people will back us up. They will back up their Government. They will feel, then, that we are on a moral crusade. We are standing up for the only thing on earth that has any hope of keeping peace, and if we lose peace that way, they will go to war with us.

But you let something happen—a battleship blown up out there as the *Maine* was blown up—and this thing gets worse and worse and worse; let the Russians start supporting the armies of some other country, and the first thing you know, we will get into a clash, and I do not know whether we will be able to appear before our people in the same light and in the same position as we would if we had acted through the United Nations.

(Senator Pepper continued off the record.)

## ECONOMIC ASSISTANCE TO TURKEY

Senator PEPPER. Now, if we want to do something to help Turkey, and there is plenty of justification for it, why not go in and help the economy of Turkey? Why not buy their tobacco, or buy something from them, in some way so that they would be better off, and let them use their own money for the Army so we will not have to come out and say, "I will buy you a sword so you can stand at the Pass of Thermoplae."

## DEFENSE OF DARDANELLES NOT ONE-SIDED ISSUE

While I know this has been presented with the utmost conscientiousness on the part of the President and the State Department and everybody connected with this matter, I still think as a matter of policy there is some hope of compromise, provided we recognize the principle that if any big power is to have the primary say so about matters of security in its area, we have to allow the Russians the same thing, and we know perfectly well that this last year the Richmond Times Dispatch—and that is no Communist paper—said the American people would perhaps better understand the Dardanelles problem if they thought of it as being the mouth of Chesapeake Bay. I always think in terms of the Gulf of Mexico, because that is where I live.

Suppose Florida had never been acquired by the United States but historically belonged to Mexico, and suppose that Mexico had the Straits of Yucatan and the Straits of Florida, and we had never acquired those territories as a small nation.

The CHAIRMAN. And the Florida Canal?

Senator PEPPER. And we had grown larger and larger and larger, and finally we became a great power, but we had that historical situation hanging over us. I think I know enough about the dynamic character of the American people to insist that we have a share in that thing, and if the old powers of Europe, which in the early days could have had a voice in these things, insisted on retaining them, and especially on being the determining factor, I can imagine a determination on the part of this country that would have brooked no opposition in trying to make a settlement of that thing.

I look forward to the time when the Security Council maybe will require the disarmament of a strategic waterway like that, and the Security Council will take over the responsibility of its protection. Today, if I were the President of the United States and had the people behind me, and the Congress, I would propose that in this case—the demilitarization of the Dardanelles and putting it under the protection of the Security Council, and I am willing to pledge the individual faith and honor of the United States to protect it against anybody who tries to take it over and use it for military purposes.

I would at the same time tell the British, "I will fight if the Russians try to take the Suez Canal away from you." I think they are entitled to have that immune from Russia using the Dardanelles to go down there and take that. But I am very much afraid that we give the appearance of having just fallen behind the traditionally Western European position of thinking that they had a God-given duty to keep



the Russians out of the Dardanelles and out of the Eastern Mediterranean.

I do not think America wants to risk war or risk implications of war to put ourselves behind that kind of policy, at least until the real crisis or threat of force develops, or until every peaceful effort with other nations has failed to find a peaceful solution of that problem.

Mr. Chairman, I apologize for taking so much of your time.

Senator CONALLY. Have you considered the amendment offered by Senator Vandenberg yesterday?

Senator PEPPER. I have.

Senator CONALLY. Does that work out with your plan?

#### COOPERATION WITH U.N.

Senator PEPPER. It goes very much nearer, Mr. Chairman, and I warmly commend what has been done by the chairman and others of the committee working along with him in getting just as close to the United Nations in this thing as we can possibly get. Of course, I would go a little further than my friend and I would try as much as I could to repair the damage and do what the poll shows here the American people thought we should have done in the first place—originally gone before them. I think it was a tactical error that we waited a while. We subjected ourselves to criticism by waiting as long as we did, and looking as though we were more or less pushed by public opinion back to the U.N. It would have been a lot better if we had started that way.

Senator CONALLY. That is all past.

Senator PEPPER. I realize that. I am not critical.

I want to make this clear to the committee. My individual vote is going to be for every effort to associate this thing with the United Nations. Whoever has the strongest amendments about the U.N. I am going to keep on voting for as long as I can, and I do want to disassociate armed forces and the military mission from the relief problem.

But if all the amendments that I offer—I am not going to offer anything except this that Senator Taylor and I have—fail, I will support Senator Johnson's amendments and Senator Murray's amendments. If all those are defeated, I am going to vote for this measure, however the Senate finally leaves it. I am no isolationist, and I am not going to be against it. But I do feel it is the duty of all of us to offer the best we have to offer to do it in the best way.

The CHAIRMAN. I think that is a very fair statement.

Senator CONALLY. May I ask you one other question? So far as the probability of war resulting from this, Great Britain has been in Greece and she has been helping Turkey. Russia did not do anything about it. She did not go to war on account of Great Britain being in there. Why should she want to go to war with us?

Senator PEPPER. Senator, I do not know how long, if we had not been backing up and protecting Britain, Russia would have allowed Britain to continue a course of that kind of conduct. However, I feel the Russians feel a little differently toward us.

(Discussion was off the record.)

The CHAIRMAN. Thank you very much, Senator.

Senator Murray?



STATEMENT OF HON. JAMES E. MURRAY, SENATOR FROM  
MONTANA

Senator MURRAY. Mr. Chairman and gentlemen; I have been greatly impressed by this presentation by my colleague, Senator Pepper, but I did not come here for the purpose of opposing this resolution in any way. I wish to present some amendments. Like all Senators, I have been receiving a great many letters and telegrams from my State expressing the fear that we are letting the United Nations down, and my amendments are all designed to make it clear that we are not.

AMENDMENT AFFIRMING SUPPORT OF U.N.

The first thing I have is an amendment to the amendment intended to be proposed by Senator Vandenberg and Senator Connally. It has to do with the "whereases" on the second page:

Whereas the Food and Agriculture Organization mission for Greece recognized the necessity that Greece receive financial and economic assistance and recommended that Greece request such assistance from the appropriate agencies of the United Nations and from the Governments of the United States and the United Kingdom;

My proposal is to elaborate on that a little, in order to make it more clear that we want to work through the United Nations. My proposed "whereas" is as follows:

Whereas, the Food and Agriculture Organization of the United Nations has recently completed a thorough survey of the food, agricultural, and other needs of Greece, has published its recommendations for immediate and long-term aid, both of financial and technical assistance; has urged that Greece request such assistance from the United Nations and from the United States and the United Kingdom; and

Whereas, the Food and Agriculture Organization is sending a small mission into Greece at the request of the Greek Government to continue assistance to Greece; and

Whereas this effort on the part of an important unit of the United Nations is indicative of the continuing interest and responsibility of the United Nations for aid to Greece and a willingness to accept that responsibility as an obligation of the United Nations; and

That is my amendment there. I am not too confident that it adds greatly to the amendment proposed by Senator Vandenberg, but I submit it for your consideration. It seems to me that as a result of the response I am having from my people from my State of Montana it is necessary that I make some effort to make it clear to them that we are not letting down the United Nations and that we are going to stand back of the United Nations.

ELABORATION OF LODGE AMENDMENT

The next amendment I have is an amendment to the amendment offered by Senator Lodge, and it too merely elaborates on the amendment which he proposes, by adding to his amendment the following words:

The stabilization of prices, control of exports and imports, and internal reform of its fiscal system and governmental budget.

That is the amendment to Senator Lodge's amendment.

## FINANCIAL SPECIFICATIONS

Then I have another amendment here, an amendment which I will offer to S. 938 itself. The first amendment of the series specifies the amount of money to be made available. It proposes on page 5, line 21, after the period, insert the following:

Not to exceed \$250,000,000 of the \$400,000,000 shall be available to carry out the provisions of this Act with respect to Greece, and not to exceed \$150,000,000 shall be available to carry out the provisions of this Act with respect to Turkey.

The next amendment I have is the amendment on page 5, after line 22, insert a new section reading as follows:

SEC. 5. Of the sum allocated for Greece, not less than \$—— shall be used for foodstuffs, clothing, medicines, and similar essential consumers goods for relief of destitute people, but not any consumer goods of a luxury or unessential character, which may be distributed through relief or other channels of distribution; not more than \$—— for the rehabilitation of agriculture, industry, communications, and transport, through the purchase of tools and equipment, repairs, installation and operation, technical aid and supervision; and not more than \$—— for other aids, including, but not limited to, the maintenance of order and quelling of riots and insurrections.

## SUBSTITUTION AMENDMENT

Another amendment I have is an amendment beginning in line 22, to strike out through line 6 on page 6, and insert in lieu thereof the following:

SEC. 6. (a) The program developed under the provisions of this Act, and the funds appropriated for such programs, shall be administered under the direct supervision and control of an Administrator appointed by the President, by and with the advice and consent of the Senate. All departments, bureaus, and other agencies in the executive branch of the Government having any part in carrying out the provisions of this Act shall do so in accordance with the programs developed by the Administrator. The Administrator shall be advised in formulating this program and carrying out its administration by the Secretary of State, the Secretary of War, the Secretary of the Navy, the Secretary of Commerce, and the Secretary of Agriculture.

(b) All functions, powers, and duties conferred upon the Administrator by this Act shall be exercised under the direction and control of the President.

(c) The President may, for security reasons, exercise any power or authority conferred on him or the Administration pursuant to this Act through any department, bureau, or other agency in the executive branch of the Government.

(d) The President shall submit to the Congress detailed quarterly reports of expenditures and activities under the authority of this Act.

## ADDITIONS TO END OF BILL

My next amendment proposes that at the end of the bill there shall be added a new section 7 reading as follows:

SEC. 7. (a) The Administrator shall establish economic missions, staffed by persons of professional and technical competence who, after careful investigation, are found to be loyal American citizens. One such mission shall operate for Greece and one for Turkey. Each such mission shall be directly responsible to the Administrator in the discharge of its duties, and under no circumstances shall the Administrator or the mission in carrying out their duties under this Act be subject to the administrative control of the countries in which they work.

(b) Each economic mission shall be of such numbers and technical composition as the Administrator deems necessary to carry out the provisions and purposes of this Act.

(c) The Administrator is authorized to employ and fix the compensation of such officers and employees as may be necessary to enable him to carry out his duties, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States.

Senator SMITH. Do you contemplate, Senator, that the Administrator would appoint those missions?

Senator MURRAY. Yes. The Administrator is authorized to employ and fix the compensation of the officers and employees.

Senator SMITH. I did not know whether that meant the missions themselves.

Senator MURRAY. "The Administrator shall establish economic missions."

Senator SMITH. He would choose those experts?

Senator MURRAY. Yes.

I have another amendment. At the end of the bill, insert the following new section:

SEC. —. (a) An agreement shall be signed between the United States and each government applying for assistance under the provisions of this Act, which shall commit such government to the acceptance of aid in full conformity with the provisions of this Act before any steps shall be taken to carry out its terms. Such agreement shall be made public, and a copy filed with the United Nations.

(b) The agreement shall clearly set forth the condition that the recipient government shall make available to the Economic Mission every possible facility necessary in carrying out the mission's work under its own leadership, direction, and control.

(c) When direct relief is furnished under the terms of such agreement to destitute persons, it must be provided without regard to any consideration other than their need.

(d) Essential consumers goods furnish under the terms of this Act shall be distributed according to plans worked out by the Economic Mission which shall have full responsibility to insure that their distribution is equitable, according to need, and on terms and in such manner as provides the widest distribution of these goods amongst the people.

(e) Noncompliance with any provision of the agreement by the recipient country, or the existence of any condition which prevents the mission from carrying out its work effectively, may be considered by the Administrator or his mission chief as sufficient cause to discontinue the distribution of goods and performance of services in the entire country or any part of it.

Another amendment proposed at the end of the bill: Insert the following new section:

SEC. —. In the enactment of this Act the United States undertakes to perform certain activities on behalf of Greece and Turkey which are emergency measures only, with the full realization that they are a continuing responsibility of the United Nations, for which that International Organization should be made ready with the utmost expedition.

Another one. At the end of the bill, and a new section reading as follows:

SEC. —. There is hereby established a joint congressional committee to be composed of three members of the Committee on Foreign Affairs of the House of Representatives, to be appointed by the Speaker, and three members of the Committee on Foreign Relations of the Senate, to be appointed by the President pro tempore of the Senate, which shall not less than twice a year during the period this Act is in effect visit the countries receiving assistance hereunder, and shall make full reports to the Congress and the American people as to the administration of this Act, current problems, and prospective conditions in such countries, to the extent that the interests of the United States may be affected.

Those are the amendments that I propose, and I want to say that while I am greatly impressed by the argument made by my colleague, Senator Pepper, here today, and would feel more comfortable if this whole matter could be handled through the United Nations, nevertheless I want you to know it is my intention to support the measure that will come out of this body, as I believe we should be united in a matter of this kind. I do not want you to think that any of the amendments that I am proposing here are intended for any other purpose than to assist in making this resolution as satisfactory as possible to the people of the country.

The CHAIRMAN. That is a very fair statement, Senator.

The committee will be in recess until 10 o'clock tomorrow morning.

(Whereupon, at 3:30 p.m., a recess was taken until the following day, Wednesday, April 2, 1947, at 10 a.m.)





## EXECUTIVE SESSION

S. 938

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WEDNESDAY, APRIL 2, 1947

UNITED STATES SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, D.C.*

The committee met at 10 a.m. in the committee room, the Capitol, Senator Arthur H. Vandenberg, chairman, presiding.

Present: Senators Vandenberg (chairman), Capper, White, Wiley, Smith, Hickenlooper, Lodge, Connally, George, Thomas of Utah, Barkley, and Hatch.

The CHAIRMAN. We have a quorum. How do you want to proceed?

Senator GEORGE. Are you going to have Mr. Patterson here?

The CHAIRMAN. He can not be here this morning. He will be here this afternoon. I assume the Senator wants him?

Senator LODGE. What I want is to have somebody give us the strategic implications of this thing from the military standpoint. So far as I am concerned, I do not care whether it is he personally, but I think it would be very useful to this committee to see where this area fits in from a military standpoint and be able to answer questions on certain military factors connected particularly with the Turkish operation.

Senator GEORGE. Mr. Chairman, I read his testimony, and while he covered the point that I want to ask him about, he covered it like a kimono. It does not touch any spot; it is just an overall kind of statement.

### SOURCE OF MILITARY SUPPLIES FOR GREECE

We are asked to do something here to meet an emergency. If there is any military emergency over there in Greece or elsewhere, it is perfectly obvious that you cannot put things on order in this country and get them over there in time to do any good. You have to take them out of your stockpile somewhere, and I want some specifications about it. I want to know what they are going to furnish and the supplies on hand, whether it is surplus stuff or from the War Department or what not. He has just covered it in a general sort of way.

Some, he says, will be taken from this, some will be taken from that. Well, "some" means exactly nothing when you are trying to get specifications.

The CHAIRMAN. Let us make a firm date at 2 o'clock.

Senator GEORGE. I do not care whether he comes.

Senator LODGE. I told Dr. Wilcox yesterday to tell the War Department what I was interested in, and of course, the Chief of the planning

section in the War Department General Staff and somebody out of their G-2 section could give the kind of information in which I am interested.

The CHAIRMAN. Tell them what we want, and ask them to be here at 2 o'clock.

Senator GEORGE. Under Secretary Acheson narrowed this thing down to a decision by four Secretaries—State, War, Navy, and Treasury.

Senator WHITE. May I interrupt?

Senator GEORGE. Yes.

#### DECISION OF THE FOUR SECRETARIES

Senator WHITE. Does it appear in the record how soon after the British note, the notice by the British that they had got to withdraw a large part of their efforts from Greece, that this meeting of the four Secretaries came to a decision?

Senator GEORGE. I do not know that it specifically appears. Apparently they were waiting for the note and were accepting it before it came in. They were sitting there waiting for a note, and as soon as it came in they said, "We will have to do so and so and do it now, do it in 2 weeks."

Senator WHITE. They would not have, on that basis, opportunity to give consideration to it much in advance of their decision, but if they knew it was coming and knew generally what its terms would be, they would be in a position of giving it consideration.

Senator GEORGE. Secretary Acheson said yesterday that on the 21st they had information through the Foreign Office that such a note was coming, that the British were making this decision and they were therefore prepared for the note when it came.

Senator WHITE. The question I was interested in is whether it was a snap judgment by the four of them, reached hurriedly, upon receipt of the British note, or whether they had enjoyed sufficient advance notice that the note was coming and as to what its general terms would be so that they could be considering the problem.

Senator GEORGE. You cannot tell from the record, except that Secretary Acheson did say that they had had some notification that the note was coming 3 or 4 days before it actually got here.

#### SHORTNESS OF DECISION TIME

Senator SMITH. Senator George, I am troubled by the same thing you are, the shortness of time we have to decide a very vital matter of national policy. I am wondering what your alternative is. Do you have in mind another procedure than is proposed in the terms of this bill?

Senator GEORGE. I think this committee ought to say we will not pass upon this matter until we have an opportunity to have it fully explored. Here is a U.N. Commission over there. We have never had their report. They knew it was there. Paul Porter's crowd had never even reported. Such report as he has made has been brought in after their decision, not before. The U.N. report had not been received and has not yet been received. It has not been made.

The International Agriculture Organization's report has been received, but undoubtedly has not been considered. Now there we are.

And we just act on the note and we must do it now. I do not think we should do it.

I think the course this committee ought to pursue is simply to say frankly that we will take as much time on this matter as we should take.

I do not know what my final conclusions will be. If I am forced to make them now, I am going on with some things that will delay action on this matter until there is opportunity to see about it.

The House people have now said that they are going to have public hearings and they are not going to make any snap judgment.

Senator BARKLEY. They have been holding hearings, Senator, for a week or two.

#### ONE MILLION DOLLARS FROM THE R.F.C.

Senator GEORGE. But they are going to have some more.

Senator SMITH. Would you favor the immediate step, which you raised with Mr. Clayton when he testified, of having the RFC jump in with \$100 million to hold the bag until we can decide the overall policy? Would that be a wise procedure? I do not like to leave the Greeks without any assistance if they are in the desperate condition they are said to be, with the change of government, the King dying, and all that.

Senator BARKLEY. Mr. Clayton answered that question.

Senator SMITH. He answered it by saying one little bite, part of it, would not be good. He thought it would be discouraging.

Senator GEORGE. I just cannot see that. Greece has had \$700 million of outside assistance. Seven million people have had \$700 million. Now, the present situation is not any worse than it has been for months and months and months. If anything, it is improved. They seem to be carrying on aggressive war against the guerrillas, the communistic elements in the north, with some degree of success. And in the face of all these facts we are asked here to come in with this snap sort of judgment.

#### THE STATE DEPARTMENT NOT "ON ITS TOES"

I do not mean to reflect on the committee or anybody connected with the committee. I am just simply saying that I do not think the State Department was on its toes. I do not think the administration acted up to what it ought to have acted in behalf of the American people in not simply saying to the British, "Now this is a matter of too grave importance for us to make a snap, quick, decision on, and you have this baby on our lap and it is in your hands, and at least 60 days will give us an opportunity to explore it, and we will get our missions back from over there with their reports and see what is going on." Nobody did anything about it.

Senator WHITE. If we do not act and this disintegrating process goes on in Greece, will it not reach a point where it makes no difference whether we act at all?

#### NO EFFECT ON RUSSIA

Senator GEORGE. I think if this disintegrating process is going on, except they will consume whatever money we send to them, with what-



ever money this gives us you will have the same process. I do not see that we are going to do any good by this program. I am willing to give aid to Greece, Senator Smith. I am willing to give immediate aid to Greece. But my primary interest in this thing was that it seemed to be a challenge to the expansionist movement of Russia, and I do not think that this is going to affect Russia, I do not think it has affected Russia, I do not think it is going to affect Russia, and I do not believe it is going to get anywhere at all in that sphere.

#### A TALK WITH MARSHALL

Senator SMITH. What disturbs me, Senator George: I had a little talk with General Marshall before he went, talking about this whole business, and I got the impression from him, and an indication at least—so far and no further—that it would strengthen his hand in dealing with Russia.

Senator GEORGE. How has his hand been strengthened? He has got nowhere at all in Russia. No single step has been taken that indicates that the Russians have paid any attention to this. They are undoubtedly paying some attention to it, but they have not yielded a single point at any point. I do not think they intend to.

Senator SMITH. I hesitate a good deal not to support the Secretary of State when he is there, if we sort of feel this is part of an overall policy.

#### A PROGRAM WITH NO FORESEEN END

Senator GEORGE. I think the Secretary of State is coming home in a few days. That is my own judgment about it. I think you may expect him back here by the middle of April. I do not want to take this important step, and this is the most important step we have ever taken in our international relationships; you can say just what you please about it, but that is the size of it, and I know it and realize it, and I know very, very well that this is simply the beginning of a program the end of which no man can foresee at the moment.

Now, of course, we are entitled to use commonsense and not go any further than we ought to go. But once you take these steps, it is awfully hard to check. It is awfully hard to turn back; it is almost impossible to turn back, and that is the situation we are in.

I hoped that the House would go ahead and complete its hearings on the matter and vote on the matter. I suppose the House will vote it with just the same sort of legislative paralysis that I have seen here for quite a long time, that when something that is an accomplished fact is announced, the Congress feels it has to take it and it goes on taking it, and if you do not take it you say, "Look what position you are putting our country in and what position you are putting the administration in, what position you are putting all of our affairs in."

#### NO ACTION URGED

I am very frank, Mr. Chairman. I think that no action should be taken at this time on this matter. I do not know how soon we can take action, but I do not think it ought to be taken now. However, I am just probably a voice crying in the wilderness, but you are going to hear more voices, you do not need to doubt that, because the Amer-

ican people do not understand this thing, and when they do understand it they are going to ask a lot of questions about it.

WORKING THROUGH THE U.N.

This thing of going out and giving some aid to Greece. If it is an aid measure, why, all right. I have no objection to anything the committee wants to vote for aid for Greece. But I am absolutely convinced—and I generally disagree with Senator Pepper—that he is fundamentally right in some of the things that he stated to us yesterday, and they are that this thing ought to have been put up to the United Nations and we could have at least proceeded with their “No” answer.

Senator SMITH. I share that view, too.

Senator GEORGE. I felt all the time, and I feel it now, that that should have been done.

Senator HICKENLOOPER. This is the only thing that bothers me about that procedure, Senator, if the chairman will permit. Had this matter been put up to the United Nations as an original proposition and the United Nations taken it to its bosom and thought about it, and then had said “No, there is nothing we can do,” either through a veto or through some other monkey wrench in the machinery, then could we, unilaterally, after the United Nations said “No, we will not move in the matter,” have gone forward on our own without justifiable criticism? Would we not have blocked ourselves from independently considering this thing?

Senator GEORGE. I take the other view of it exactly, Senator, that the United Nations would not have turned this thing down coldly. They at least would have said, “While we have not the funds nor the means, if you are prepared to take this step in harmony with the United Nations general programs,” they could not have said “no” to that.

Senator HICKENLOOPER. I admit that had that result occurred, it would have appeared to me as being a better solution than for us to start out on our own prior to going to the United Nations. Do we dare take a chance on that occurring?

Senator GEORGE. What is the emergency, Senator?

The CHAIRMAN. I would like to comment on that, if I may.

Senator GEORGE. I have not been at the White House. I have not talked with even General Marshall. I do not see the emergency.

The CHAIRMAN. I have a great deal of sympathy with what Senator George has said in many aspects. But I think we confront a condition and not a theory. I agree with him completely, that this is not a mere relief measure and that it would be a scandalous outrage upon the American people to present it as such. I think it has to be presented for exactly what it is, and it has been my understanding in talking with the able Senator from Georgia that if it were presented for what it is, that it would interest him.

Senator GEORGE. I may say, Mr. Chairman, that it not only would interest me but it would have my great sympathy.

The CHAIRMAN. Exactly.

So far as I am concerned, I intend to present it for what it is.

Senator WILEY. Can you tell us now, briefly?

## A COMMUNIST-DOMINATED EARTH

The CHAIRMAN. Well, I think the President outlined exactly what it is in his message. I have not his message here, but he frankly asserted that the fall of Greece, followed by the fall of Turkey, would establish a chain reaction around the world which could very easily leave us isolated in a Communist-dominated earth. That is about what he said.

That is my view.

Senator WILEY. May I interrupt there?

The CHAIRMAN. Yes; go ahead.

## GIVING THE U.N. A FIRST CRACK

Senator WILEY. I just want to ask this question of you: Is it possible to meet your view and Senator George's view with this proposition, that we say with clarity and definiteness that (1) the United Nations is going to have the first crack at this? If they do not handle it, we are going through and say just what we mean.

The CHAIRMAN. Let me pursue my thought a little further.

Facing facts as they are—and I think I have just rather bluntly described them—I do not intend to state my position in precisely those words, but I intend to make quite plain that this is my point of view. I also intend to make it quite plain that in my opinion it is not necessary for the United States and the Soviet Union to clash, that it ought to be possible for them to meet and put the cards on the table and find a way to live and let live. So much for that.

If we had gone to the United Nations in the first instance with the problem, I think we would have all but ruined the United Nations, because I think we would have asked it to assume a function which it was neither intended nor processed to meet. On the other hand, I think it was a great error not to immediately officially notify the United Nations the day the President delivered his message. And I very earnestly urged upon the State Department 2 days later, when I found it had not been done, that it should be done.

That is water over the dam. Two weeks later we notified the United Nations in a rather flank sort of way. Nevertheless, we notified them.

It is quite obvious from the amendment that I introduced yesterday that I think it is vitally necessary for us, in order to properly orient our position in the United Nations, to add an authority to this bill which brings us back into the orbit of the United Nations in a rather concrete and specific way. And I think if something of that sort is done it will substantially satisfy a great deal of our anxious public opinion. I have heard from all of these great church groups within the last 24 hours, prayerfully expressing the hope that something can be done along the line of the amendment I suggested.

Now, where are we if we pursue the course suggested by the able Senator from Georgia? Here we sit, not as free agents, because we have no power to initiate foreign policy. It is like, or almost like, a Presidential request for a declaration of war. When that reaches us there is precious little we can do except say "Yes."



## U.S. CHALLENGE TO RUSSIAN EXPANSIONISM

I think we do have considerable latitude in the present instance in respect to precisely how we shall do it, but in my opinion, since in my view and in the view of the Senator from Georgia this is in essence our challenge to Russian expansionism, and since out of the experience of the last 2 years it is perfectly obvious that there is a chance to peacefully stop Russian expansionism if we make our position immutably clear as to the line beyond which we will not retreat, I think that if we failed within a reasonable time to support the attitude of the President of the United States we would have lost any chance whatsoever to find a peaceful basis of settlement with the Soviet Union. I think they would immediately revert to the viewpoint that they had at Teheran and Yalta, when the President of the United States, under the pressures of war—and I speak without any suggestion of criticism—was forced to make concessions to them which he hated to make but which he made in the feeling that he was saving millions of American lives.

I think they have never gotten it out of their heads that if they press us hard enough we will finally yield. I think we have started to get that out of their heads during the last year or two, and I think with a considerable degree of success. I think we would throw that all away if we were to indicate in a divisive attitude between the executive and the legislative in respect of the main objective to which the President's message was dedicated.

So that, reluctant as I am to proceed, sharing all of the anxieties that the Senator from Georgia announced, I cannot escape the feeling that we have got to take a calculated risk and that there is less risk in standing up than there is in lying down.

So my own hope would be that we would proceed with reasonable celerity. My hope would be that we can write into this resolution not only the preamble submitted by the able Senator from Texas and myself, but also some formula along the line I indicated yesterday. I would hope that we would bring the administration of this relief into direct and continuous American control, and I would hope as a result that we might heal any wounds that have been created thoughtlessly by what I repeat in my opinion was an unfortunate oversight of the United Nations in the first place, and that we would stand a show of some sort of *modus vivendi* with the Soviet Union.

I am afraid if we do not proceed, that chance is gone forever. That is all I have to say.

## CONTACT WITH RUSSIA IN GERMANY

Senator GEORGE. Mr. Chairman, with much that you say I take no exception whatsoever. But I do not see why the real point of contact with Russia is not in Germany. If you mean to check Communist expansion it should be right in Germany, where we are now in contact with the Russians. And that has always seemed to me the idea, and I do not see any emergency in the Greco-Turkish situation except such as Great Britain herself is voluntarily bringing about. And that is the thing that I do not like.



The CHAIRMAN. I totally agree with that statement.

Senator GEORGE. I just do not like that.

The CHAIRMAN. Yet here it is.

Senator LODGE. Is it not true that we do not meet Russia as advantageously in Germany as we would here from a military standpoint? In Germany it would be our infantry against the Russian infantry, and they have the advantage that they always have when they are dealing on land. I think in the Near East we could, if things got worse, bring our seapower and our airpower to play.

Senator GEORGE. Speaking of it from the standpoint of war immediately, of course I concede that you are right.

#### AGREEMENT WITH THE SOVIET UNION

The CHAIRMAN. Senator, I think we are pursuing exactly the objective you have defined in Germany, and I think that is the reason why the Conference is deadlocked in Moscow this morning. I think we are doing precisely what you suggest in Germany insofar as it is possible to do it at the moment. I think we are declining to surrender a deadline that we have drawn, and I shall never fail to continue to believe, until it is demonstrated to me otherwise, that if, as, and when that deadline is perfectly apparent beyond shadow of a doubt at all the major points of contact, it is going to be possible for us to find a basis of agreement with the Soviet Union.

I am equally sure that if we show the slightest indication of surrendering our positions, we will surely have to surrender them all or fight, one or the other.

Senator HICKENLOOPER. Mr. Chairman, are we not in this situation. We are meeting that issue in Germany, and that was the point I wanted to suggest. Whether we are making any progress there or not could be argued, but at least with the situation as it exists in Germany communism is being held on that line.

#### WEDGE OR FLANK ATTACK

Now we are faced with either a wedge attack or a flank attack, with communism sticking down the split and we are meeting that matter, which may be an incident to the whole problem, but it may turn into a very important incident in our whole program of meeting communism. And it has come to a head in Greece in this flank movement they got coming down through there. If we do not meet it, that wedge will be a pretty important one.

Senator SMITH. Mr. President, I was impressed by the testimony that we had that this Russian thing is a great big crescent. They put the heat on the Trieste issue and they got pushed back there. Now they are putting it on Greece and Salonika. They are moving over to Turkey. I was very much impressed with the suggestion that we have a menace to their flank in case they misbehave anywhere else on the crescent. That is the reason I am of the opinion that we have to go along with this.

Of course, U.N. cooperation is absolutely necessary. I have always stood for that.

The CHAIRMAN. I do not think we can fool the American people about it. I do not think there is any use in trying to fool them.

Senator SMITH. I do not either.

## "DOWN PAYMENT" FOR PEACE

The CHAIRMAN. There is no use in pretending to them that for \$400 million we have bought peace. We have done nothing of the sort. It is merely a down payment on the only hopeful program for peace, in my opinion.

Senator GEORGE. I think you are right, Mr. Chairman. I think then, when you lift your eyes over into Manchuria and Korea and North China, you see the vastest iron resources of the world, and I think that is where Russia will make a real fight. And if she gets into possession of it, I would not be at all surprised, within 50 years, to see the Pittsburgh of the world in that area, with warm water ports right into the Pacific.

Senator WHITE. Mr. Chairman, may I say a word about the situation?

The CHAIRMAN. Yes, Senator White.

## MUST SUPPORT THE PRESIDENT

Senator WHITE. I want to put myself in accord with what the chairman of the committee has said about this situation. Wherever the fault may be, if there is fault, the fact remains we are facing a situation, a situation created in part by our own Government in the authoritative voices of our own Government. I do not see how we, without any original sin in connection with the matter, can leave the President in this situation. I think we have got to go along with him and along the lines suggested by the committee. I just cannot see any other alternative. It is a troubled course we face, but if we do not embark on it and if we do not follow it resolutely, and if we do not follow it with our strength, then we have thrown everything away for which we have up to this time professed our belief.

I say that, and yet I want to add one thing more. I do not want anybody to think that whatever we do here is ultimately going to solve the attitude of the Soviet people toward the Mediterranean, because I think when we undertake to say that by this means or by any other known means we stop the yearnings of a great people for access to the Mediterranean—I think when we undertake to do that we are just defying, we are just disregarding, all the warnings and all the points of history.

I think that ultimately Russia will be into the Mediterranean, and there is nothing you or I or anybody else can do about it. You cannot stop 200 million people when they have a desire to reach that Mediterranean. They are going to get there sooner or later.

That does not mean that at the moment we should not meet the situation of the moment, which I think is taking a firm stand in support of the President and giving it our loyalty for better or for worse. I want to be recorded as a supporter of the President's program and a supporter of the leadership of the chairman of this committee.

## CANDOR NEEDED BETWEEN RUSSIA AND UNITED STATES

The CHAIRMAN. If I may just comment on one thing the able Senator has said, it illustrates precisely what I have in mind when I say that it seems to me the situation now calls, above everything else, for a totally friendly candor in a complete showdown between Moscow

and Washington. Part of that showdown ought to be the question of the Dardanelles and part of that showdown ought to be an agreement to rewrite the Montreux Convention and to consider it in the light of the circumstances to which the Senator refers.

That is just one of the many opportunities, in my humble opinion, to remove some of the frictions which are building cumulative trouble which inevitably is going to lead to a clash unless something happens to intervene.

Senator CAPPER. I just want to say I stand where you stand. I approve of what you said in your statement this morning, and I also go along with Senator White. I think you are on the right track.

The CHAIRMAN. Thank you.

The Senator from Texas?

Senator CONNALLY. Mr. Chairman, I hesitate to discuss this matter. Of course I do not welcome the situation. I am sorry the Greeks are in distress and I am sorry they are in hunger. But since the President has taken this position it is known all over the world. If we hesitate or surrender in any wise, we will be nullifying the purpose that we have in view.

#### AID NOT A CHALLENGE TO RUSSIA

I am not in favor of concealing anything from Russia. She knows what this means. And I am not in favor of concealing it from the American people. I think we ought to be plain about it—not that it is an armed challenge to Russia. We do not want war with Russia and she does not want war with us. Do not forget that—at this time. She may want it 10 years from now, when she thinks she is strong enough. But I cannot see why our action in giving aid to Greece—and part of that aid is to strengthen her army, not for offensive purposes but to maintain order within Greece and to quiet the infiltrations from the north—should imply an armed challenge. Anyone who read Tito's speech to the parliament of Yugoslavia a day or two ago will see that he is encouraging and he is fomenting troubles along that northern border. In fact, he said that the United States was adopting an imperialistic policy in Greece. Well, everything that does not agree with him is imperialistic policy, and I think that any weakening of our original bill, and any weakening of the President's position, would in a degree undermine our attitude and will probably offset whatever psychology we expect to create by the passage of this bill.

Senator SMITH. But you favor your preamble, of course?

Senator CONNALLY. Yes; I favor the preamble, and if the United Nations had been equipped either with money or with methods and processes of handling this matter in the beginning I should, of course, have favored going to the United Nations. I am strong for the United Nations within its proper jurisdiction. I do not regard the United Nations as having an overall authority on all government activities and our sovereignty and all that sort of thing.

God knows I do not want any war and any trouble, and this is not going to bring on war—at this time—at all, because how would Russia justify herself before the world by going to war because we were aiding a starving people, even though you put in the military clauses, which are purely for the strengthening of her own Government within her own borders and preserving her integrity and her territorial integrity.



For those reasons I do not see how we can do anything else except to go along or to forget the whole business, and that would put us in a ridiculous attitude before the world. We would then be regarded as having been bluffed out of it by Russia, and we had better never have started.

Senator HICKENLOOPER. Mr. Chairman, do we not have an analogous situation that we can look at here? It may not have exactly the same elements, but did we not see Germany, Italy, and Japan with the same ideology beginning this thrusting movement, this feeling movement? Did we not see the reoccupation of the Rhineland? Did we not see Anschluss with Austria? Did we not see Italy go into Abyssinia? Did we not see Japan make her feelings into Manchuria? Did we not see the same pattern back in the twenties and the thirties? Are we not up against the question of resisting this thing wherever it begins to poke its finger?

#### MUST STOP IDEOLOGICAL SPREAD HEAD ON

We have given aid to Greece before. This is no question of aid to Greece, in my mind, because we have given aid to Greece before. We have ample precedent for that. But is not the issue as to whether or not we are going to follow, or the world is going to follow—and it did not stop these things in the twenties and thirties—this sit-by-the-fire policy and let these fingers of exploration and this particular ideology continue? The only difference here is that it is Russia and not three countries. But the central pattern and the central philosophy is what is feeling its way around through Europe and the world today, and if we do not meet it—and apparently we can only meet it by unilateral action. The United Nations is not equipped to meet the thing head on at this moment with any hope of immediate action. It seems to me that is the thing that is moving in my mind.

#### U.S. SUPPORT IS MORAL SUPPORT

The CHAIRMAN. Let me add this at that point, Senator. I totally agree with you. I spent the evening last night with a very wise old man whom I shall not identify, but at whose feet I have often sat when I was in doubt. And he said one thing which I shall never forget. We were discussing what would happen if the United States did not follow through in the present instance, and he said:

Well, that is a very simple question to answer. Put yourself in Athens or in Ankara. If you were a responsible Greek in Athens and you got word that the United States had said "No," what would you do? Would you not immediately say, "There is no course left for us except to make the best terms we can with Moscow?"

And if you were in Ankara, and a responsible government official and had been bravely standing up against this war of nerves for 2 years, and you got word that Congress had said "No" to the President's program, would you not say to yourself, "Well, the jig is up. I had better go to Moscow and see how good a deal I can make."

It just seems to me that that is the inevitable result, and I do not believe we can afford to get within a thousand miles of any such situation for the sake of peace.

Senator CONNALLY. Mr. Chairman, I want to suggest this to Senator Hickenlooper. We gave \$400 million, or UNRRA did, to Yugo-



slavia, and in a way it was no different from what we are proposing to do to Greece, because what does Yugoslavia do? She maintains a great army. She feeds the army with her own resources and then we feed the civilians out of UNRRA—\$400 million. We did not curry any favor with her. She is cussing us and abusing us every day. Tito is pouring out his vials of wrath upon us.

#### STAND UP TO RUSSIA

I have advocated this for a long time, not to any responsible people, but I think the time is going to come when we are going to have to just go on the highest levels, at least as high as the Secretary of State, and not in a public gathering but in a private interview with these Russian authorities just talk plainly to them. We will say, "What in the hell are you up to? We are not going to stand for so and so and so and so." I believe it is going to have to come to that, and I believe when it does it will work.

That was what you had in mind, was it not—some sort of understanding later on?

The CHAIRMAN. That is exactly my view.

Senator CONNALLY. We are going to have to do that. We cannot just go on fighting in a way, underhanded, and spending money and having international conferences and vetoes and the Security Council. This will be an endless struggle if we conduct it in that way, and I am in favor of doing something, and if she does not answer properly, we will be in a position to define our policy.

I do not think this will bring on hostilities. It will bring on a spirit of resentment, probably, in Russia. They have that now. They are after us now all they can be. You hear their propaganda and you know that in every weak country on earth they are shoving and pushing. I doubt not that in South America the conditions are even worse than we know about, but I do not think it is going to get to the point where it will be of any great serious consequence.

Senator HATCH. I heard the other night that Russia is now broadcasting over its radio not to use American soft drinks, they are poison. Do you suppose there could be any truth in that?

Senator CONNALLY. I do not know. They would do anything. Of course there would be truth in it.

The CHAIRMAN. They have this movie showing them winning the battle of Japan. You cannot see a thing except Russian troops and Russian flags.

But the point that the able Senator from Georgia has raised is so fundamental, and it involves precisely, as he says, basic considerations that are as vital as anything that ever faced us in our history, and I think we had better run around this table and see what the rest of the Senators think.

Senator Barkley?

#### CANNOT AFFORD EXPERIMENT

Senator CONNALLY. May I just say one word before we do that? This is in the nature of an experiment. We do not know whether it is going to work 100 percent or not. It does seem to me that we can afford to spend this amount of money, with its implications, to see what will happen.

Senator GEORGE. Senator, please do not misunderstand me. I am willing to vote any amount of money that the committee wants to approve as a matter of relief if there are urgent necessities for it, and I do not question those necessities so far as Greece is concerned. That is not the point. That just does not seem to me to reach this situation. I have no objection in the world to a relief program. And I have no objection in the world to going out and meeting what I regard as a more fundamental threat, and that is an expansionist movement by the Soviet power.

Now, how you are going to do it I do not know. And, very frankly, I do not think very many other people know at the moment.

The CHAIRMAN. They certainly do not, and I doubt if they ever do except as we proceed to feel our way.

Senator GEORGE. I agree with that, Senator. I agree with that.

Senator CONNALLY. Let me say just one additional word: We hear folks say, "Well, I don't mind giving relief to Greece. That's all, though."

Well now, if you were in your house and hungry and needing clothes, and a neighbor said, "Well, I will give you clothes and I will give you food," but you said, "Wait! There is a bunch over there across the street that is after me. They are going to cut my throat. I have got to have a gun to protect myself." Would you think that that would be beyond the realm of aid? It will do no good to feed you if somebody is going to come along and kidnap you and enslave you or take you over, and that is what is going to happen in Greece if we do not do this.

Here she is, faced with three hostile Governments—Albania, Yugoslavia, and Bulgaria. Bulgaria has been her enemy for many, many years, and Yugoslavia, with this new spot that she has been projected into, has won a victory out of her isolation and darkness for 25 years. I think that unless we do something there we might as well just tell them to go to it wherever they can. We will be relegated then to defending the Western Hemisphere, and that is all.

If we do not go to Greece, as the most appealing spot—if we do not go into Greece and Turkey under these circumstances—we will not go in anywhere else except in the Western Hemisphere.

Senator SMITH. As I told you, I have an engagement this morning and I have to leave at 11 o'clock. May I just say this: I share all of the difficulties that the Senator from Georgia shares. I have come to this conclusion, however, and it has not been without a great struggle, that this course must be pursued. I approve the position of the chairman of this committee. I shall back him in it. I approve both your preamble and the principles of your amendments. I had some questions about the wording of them that we can take up later. As you know, I am for the maximum amount of U.N. cooperation.

If you will excuse me, I will come back as soon as I can.

The CHAIRMAN. I do not want to prolong this unduly. I will say to the Secretary that we find ourselves in a very serious and earnest discussion of the fundamentals of the situation this morning, and if you will be good enough to let me finish running around the table on it, we will then proceed to consider the bill.

Senator Barkley?

Senator BARKLEY. Mr. Chairman, I have been all along disturbed by this situation from the very first conference at the White House, as

you will remember. General Marshall was there. I stated that I did not like this. I deplored the necessity for taking this step, which I had not even heard of by implication until that night, but that under the circumstances set out by the President and General Marshall, who was present, 3 or 4 days before he departed for Moscow, I did not see what we could do except to go along with the program.

#### SUPPORT OF GENERAL MARSHALL IMPERATIVE

I recall asking General Marshall if he thought the initiation of this program on the heels of his departure or his arrival in Moscow would help him in negotiating with the Russians, and his reply was that he did not know that it would. That was then. I have a very definite view now as to what will happen, or what his difficulties may be if we do not. All of Europe has very narrowly escaped the Soviet overall supervision and control. France escaped by a hair's breadth—if it has escaped. I am not sure it has.

Senator CONNALLY. You are right!

Senator BARKLEY. I think France is economically better off than she is politically. But they are, I think, resisting, and they have stood out somewhat. But it has been a very narrow escape for France, and it cannot be said to be over yet. I do not think France is out of the woods.

There are a good many people who think that we let France down in some way or other in not aiding her in resisting this encroachment. I do not agree with that viewpoint, but it is plain that we could have given them more assistance than we did, although they did not ask for it on that basis.

I agree with Senator George, that the immediate and fundamental basis of contact right now between Russia and the United States is in Moscow and in Germany. We know the difficulties General Marshall is having in negotiating with the Russians. Whether any mistake was made in the beginning by not notifying the United Nations that we were going to do this before anybody knew whether we were going to do it or not is beside the point now. I was rather impressed with the Secretary of State's statement here that to notify the United Nations in advance, even before Greece and Turkey had made application for this loan, would have been an untoward proceeding, because it might never have materialized to the point where we would undertake to do it, and that would have been a futile notice that we were going to do something we did not do or were not going to do. That is bad. I think that mistake, if it was a mistake, can be repaired.

I feel that we have got to take the American people into our confidence. The fact is, I think they already know what this is about. I do not think we have to go out on an educational tour, although it is our duty to defend what we do here and what our Government does. I do not think the American people need any postgraduate course in what this is all about. I think they know what it is all about. They have shown pretty deep intelligence about it. We frequently underestimate the intelligence of our own people. I do not underestimate their intelligence on this. I do not think we ought to relent in any way in keeping them advised about it.



But if it is our duty to do this, if it is in our interest—and I have based all my conclusions upon our interest, our ultimate interest, long-term, not just tomorrow, the week after next and next year, but over a long period—to do this, I do not think it makes any difference whether what we give Greece comes out of surplus property or out of the Treasury of the United States. If it is to be done in our interest, that is a mere detail that does not concern me at all.

Now, having gone this far with this, if we back up now, if we fail now, General Marshall's troubles in Moscow in regard to a treaty with Germany will be multiplied infinitely, because it will be regarded as a failure on the part of the Congress to back up the Government of the United States, the President, the Secretary of State, and General Marshall himself, who originally brought this to the attention of the President and was present at our first conference, as you know.

The CHAIRMAN. Senator, if I may interrupt you, at Paris even that little Wallace flurry over here last fall fell on the assembled group of nations like ice water, and for 3 or 4 days we did not have any more chance of influencing that conference than nothing, and if that was so in respect to that casual incident, what would be the reaction if the Congress of the United States failed to uphold the hands of the President?

#### DEFEND U.S. PRINCIPLES

Senator BARKLEY. I appreciate fully the sincerity of Senator George. I am sorry he was compelled to leave. I do not know whether General Marshall will be back here by the 15th of April or not. I know this: If we fail to take any action or show any weakness on our part, he might as well come back by the 15th of April, because if the Russian negotiators—if that term can be applied to them—are to see our weakness, that we are hesitating, that we are pulling back, that we are afraid even to give this aid, whether it is economic relief or whether it is military—which it is and we might as well say it—to Greece and Turkey, if we are afraid to do that, they will take that as evidence of our unwillingness to do much in defense of our principles and the things for which the Allied Nations fought this last war at untold cost in blood and treasure, except to talk about it, and we are not going to do anything about it. And if we create that impression on their minds, they will become infinitely more intransigent in the future than they have been up to now.

I do not see how we can justify backing up on the thing, and if it is our duty to do it in defense of all the things we believe in and have fought for, in order to stop them before they get so arrogant that they can decide that we will not even fight—if they take all of Europe, including the British Isles, why, we have strengthened them and weakened ourselves and all questions of where the supplies are to come from to me fade into insignificance compared to the big question as to whether we are going to do this.

I do not see, myself, how we can help doing it. I say it with profound regret. It is a situation that I hoped never would arise. But we can not foretell history from day to day or year to year, and we have to meet these things as they come, and this is undoubtedly a challenge.

I have a great sympathy for the desire of Russia to get access through the Dardanelles. I have never felt any nation ought to be



denied the right to send its commerce through international waters, through any channel that God Almighty made and that was not dug by any nation.

Senator WILEY. She has that, has she not?

Senator BARKLEY. Even when we dug the Panama Canal, although we said that we believed in free tolls to our ships and put it in our platform in 1912, when we met the situation face to face we found we could not maintain that attitude, because this canal was open to all the nations of the world on terms of equality.

#### RIGHTS TO DARDANELLES

I think the Dardanelles ought to be open to the commerce of every nation, and I have for a long time sympathized with the Russian desire to get through there. But the desire to get through and the right to get through with their ships and commerce is one thing. The right to fortify that channel for the purposes of intimidation or aggression in the Mediterranean region is entirely another matter and separate, and I do not go for that.

That is my view.

Senator CONNALLY. Senator Barkley, may I ask you a question: If we fail to do this, or if we delay it a great long while and mull over it too much, will not the Russians secretly at least take this attitude: "Well, we have got them bluffed. The United States has talked big but it isn't going to do anything"?

Senator BARKLEY. Oh, yes. That is why I say, if we do that, and in effect cut the ground from under Marshall right now in Moscow, when he is having all this trouble, he will be there not until the 15th of April but until the 15th of September without getting anything out of them.

The CHAIRMAN. Let us not overlook the very practical fact that if we go to the floor with opposition from men like Senator George, we may "wind up behind the eight ball." I have every anxiety to do what can be done to meet his point of view.

Senator CONNALLY. His chief point of view is delay.

Senator BARKLEY. I frankly say that I was surprised at Senator George's view about it.

Senator WILEY. You saw what Senator Byrd said yesterday.

The CHAIRMAN. Senator Hatch?

#### EQUIVOCATION IS WEAKNESS

Senator HATCH. I think my views are very well known. When this proposal was first made, it came as a complete surprise to me. I did not know the British Empire was in the condition it was. I hesitated. I did not like it. Like everybody else around here, I do not like it, and I wondered what kind of course we are pursuing, bypassing the United Nations in all the things that have been said.

But I reflected and I realized that after all it was—and this was before the President's address—a direct step to combat the aggressive action in a political war which is going on, which he knew was going on and everybody else knew was going on. The President had made the proposal after consultation with leaders of both sides in the Senate and in the House.

Then I made up my mind. The step had been taken. I am going to say exactly what I think, and I made a statement which was published, in which I said, "This is an effort to stop the expansion of communism. It may even lead to the use of troops abroad." I said that. It was widely published. I meant it. It may do it. I do not think we can back down, having taken the step. I think the greatest weakness we can have is to hesitate and equivocate. We will destroy everything we do by the program.

I am disturbed at Senator George's attitude here this morning. I read yesterday, as all of you did, the speech of Henry Wallace. I heard Senator Pepper, and with all due respect to both of them, they represent a certain group in this country that always takes side when the Russian situation arises, and the side is against us. By themselves they are not dangerous to any program, but with the support of men like Walter George it does become dangerous. It gives a credit and strength that it has never before held. I am seriously worried about what has developed here this morning, but I do not think we can change our course. If we fail and this program is defeated, just as Ambassador Wilson said, we might just as well come home, scrap the United Nations, and get ready for war.

Senator CONNALLY. You referred to the conference between the President and some of the Senators and Representatives on both sides of the aisle. I was there, was I not? And you were there?

The CHAIRMAN. Yes.

Senator CONNALLY. I want to suggest this: With all these folks there, nobody, as I recall it now, made any suggestion about taking in U.N., going to U.N. Do you remember anybody?

The CHAIRMAN. That is correct, Senator.

I want to add this postscript, that within 48 hours I very earnestly recommended a notification to the United Nations.

Senator CONNALLY. That is all right. We have made that. I have no objection to that. But there was nobody in that conference who said to the President, "Here, wait a minute! Before we do this we ought to go to the United Nations."

The CHAIRMAN. That is correct.

Senator CONNALLY. Nobody suggested such a course.

Senator THOMAS of Utah. Mr. Chairman, I was not a party to any of the conferences before the President made his statement. I did go on the radio the night before the President made his statement, and I made my stand clear, at least to me. I have not even had a talk with a fine old man, as you have, Mr. Chairman. But I got some ideas about this, growing out of this week.

#### SUPPORT MUST BE IN NATIONAL INTEREST

I think first of all we have to recognize this fact, and I am talking about Russia and not communism, because there is a great difference. The policy of Russia today is not one whit different from the policy she pursued in the last of the eighties and the first of the nineties of the last century. It is not very different from what it was a hundred years ago. We must remember this fact, that for over 100 years we have been fighting Russia, and Russia has never won a war until this one. She thinks now that she won it completely, without anybody's help. You

ask a Russian what defeated Germany, and he will tell you very frankly that the thing that defeated Germany was the fact that "We killed 9 million Germans," and they just leave it right there.

I am just as much opposed to attempting to bolster up what has been the theory of the world with regard to Russia for the last 100 years. I do not want to fight the Crimean War over again, because that war brought about an unfair peace. Russia has been contending for over 100 years for a port in the sun in Asia, into the Mediterranean, and into the Atlantic. She has reached her port in the Atlantic now. She has not reached it into the Mediterranean to her own satisfaction, and she has not reached it in the Pacific to her own satisfaction. That she will get there, there is no doubt in my mind—maybe not this year or next year, but she will get there, because in the economy of history you have never found a better illustration of a people growing with a single purpose than the Russian people have been growing for the last hundred or so years.

I am opposed to any bottling up theory. I am opposed to developing buffer states. If we are going to bolster up a stand against Russia on the basis that we must create a buffer state in Turkey, a buffer state in Greece, then I am opposed to it absolutely and completely because we want to do for Turkey and for Greece what is good for the Turkish people and for the Greek people, and what is good for ourselves.

Then, Mr. Chairman, I am utterly and completely opposed, as strongly as I can be, to moving into Greece excepting in accordance with American policy. It has to be American policy if I have anything to do with it. I have no sympathy at all for the communists and radio commentators who so glibly spoke, long before the President spoke, about the downfall of the British Empire and the need of our bolstering them up and moving in where Great Britain has moved out. That, of course, is all wrong, and that, of course, does not recognize what is going on in Great Britain herself.

Great Britain is going to be very much stronger after the changes which she is making than she was when she thought only in terms of a tight little empire for Britain's sake. The Commonwealth idea is going to make Great Britain extremely strong. The freedom of India will make her strong. So I do not want to catch on and just assume that we have got to do something because England has been doing it and England cannot do it any longer.

I have worked now since the President's message in an attempt to justify what the President said out of American foreign policy, entirely on an American stand, not to save Great Britain or the British Empire, not to save anybody else. I feel, as I have always felt, the responsibilities of the chairman of the Military Committee, enough to even go along when I know people are doing wrong, because I think that America has to show a united front, and I think the President has got to be supported in this thing.

#### CONSISTENCY OF AMERICAN POLICY

It is hard, Mr. Chairman, to stand up against Admiral King and General Marshall and the President of the United States and Jimmie Byrnes and the Secretary of War and the Secretary of State. There were 12 of us in one conference that I was in, and I said, "You are all wrong, gentlemen, but I can't say you are wrong when you all say



I am wrong. I am going to go along." But it was the worst thing that those men ever did in regard to the war. I think they realize it now. Because what they were doing was not consistent with what we were trying to fight for. And if they will recognize the economy of the United States, and if they will remember that we are fighting not two or three wars but one war, and that Asia is a little bit important in that war, I think we have to get on an American plan and stick with it.

I am just as much opposed to dividing the United States in the peace as I was in the war. I am for standing by the remarkable peace we brought about in the Far East, in spite of the fact that many of the people who were fighting the war did not realize what was going on in the Far East, and how we saved the peace there. Now, to lose that and cause that part of the world to slip back into chaos and anarchy and not be mindful of it would be—well, I have probably talked too long already. Our first concern is the unity of America. Our second concern is to see that that which we do is in accordance with American policy and what has been America's stand throughout the world, and I think we can write these resolutions and make our talks in such a way that we will unite us instead of divide us, because Russia just happens to sit in a position today—if we switch from Russia for a minute and turn to communism—where she can divide the whole world. I do not think she wants to do it, because she cannot control the Communists of South America. They are interested in controlling their own governments.

Now, these things I say as I would speak in a classroom. I do not know the inner dispatches and the notes that come from all parts of the world. I have not followed along that way. But I know that the American people will support whatever we do so long as we make it plain to them that we are standing in accordance with American policy.

The CHAIRMAN. I take it, Senator, you think we must proceed.

Senator THOMAS of Utah. I think we have got to proceed now or else tell the American people why we will not proceed. If what has been said here today is right, then we ought to retreat just as fast as we can, because we have already made a great mistake.

The CHAIRMAN. Senator Lodge?

#### STRATEGIC MEASURE

Senator LODGE. Mr. Chairman, I, like many of us here, share Senator George's discomfiture about this proposal, and I can certainly agree with him that it is not primarily a relief measure. It certainly is not primarily an economic measure. It is more of a political or quasi-military measure. I think "strategic" measure is a good word for it, and in my experience, whenever you put it to the American people that this is a policy that is in their national interest, you will get support.

I put out one statement to the press 2 days after this policy was announced, and I made one speech to a very large audience of Americans who never have been in favor of intervention, and I put it to them on the ground of American national interest and they liked it. The minute you try to put it across as something that it is not, then you get into a very dangerous situation, because they begin to get suspicious. They know it is not a relief measure, they know it is not an economic measure, and they wonder why the mystery.



I can see where the State Department cannot go out and say this is a quasi-military measure, because it would hit the Russians right on the nose and make them sore. But I do not see why we in Congress cannot be very candid about it. The Russians do not expect us to be tactful anyway, and I think it will help a great deal in getting public support in this country for this policy to say this a policy based on American national interest, and we do it for that reason.

It is not a holy war. I hope it never becomes a holy war, because so long as you keep it on the ground of national interest, you can modify your course in accordance with the requirements of the situation. The minute it becomes a holy war, then you are in to the death and nothing can stop you.

#### TURNING POINT REACHED

We all know that a turning point has come in history. It is not our fault that it has come. But here we are, with only two superstates in the world, United States of America and Russia. I am certainly very sorry it happened. I would much rather stay over here and mind my own business and have them let me alone. But I know they are not going to do it, and I know with modern weapons we are not far away from anybody any more.

This policy was not invented by us. It is simply something that has been forced upon us by the terrific forces of history that I do not think any man can control.

There is no use in crying over spilled milk. If we had not made the mistakes we made just before the end of hostilities, if we had not thought the Japs were going to be much tougher than they were, if we had required the other fellow to make some promises before he got the stuff from us instead of waiting until after he had gotten it, we would be in a much better situation today. But that is over the dam. That has happened. Now we have the choice of whether we are going to repudiate the President and throw the flag on the ground and stamp on it or whether we are not. It seems to me those are the horns of the dilemma we are on, and to me it is not a hard decision to make. I think we have to go along with the policy.

The CHAIRMAN. Senator Hickenlooper, do you want to say anything further?

Senator HICKENLOOPER. I think I made myself clear.

There is just one other thing, from a practical mechanical standpoint here. I am very interested in getting the views of some of these gentlemen from the State Department and the Ambassadors as to what we are going to say about Turkey. Turkey is not economically devastated at the moment, and manifestly it is strategic aid to Turkey that we are giving. We are going to have to make up our minds how we are talking about the Turkish situation. But that can rest until some later time.

The CHAIRMAN. Senator Wiley?

#### RESERVATIONS EXPRESSED

Senator WILEY. Well, Mr. Chairman, I must say that I am not entirely clear on the course that we should take, and if I can organize my thinking, briefly, I will tell you why.

A few moments ago you mentioned something that was very significant, and that was the need of unity in our thinking on this when we do go before the public. I agree, first, that there should be no backing up, but I am not clear as to what would constitute backing up and what would constitute going forward.

Second, this question of unity. We heard the statement of LaGuardia, which to me was very dramatic and quite significant, when he pointed out that if we put our nose into the Balkans and get in there, it is like getting into a family quarrel. We may be in there for 10 or 20 years.

Now, third, this question of the U.N. You have Byrd; you have Pepper. Then you have LaGuardia. I do not think you can count him in a class with Henry Wallace and those fellows, who express what I think is a very significant thing, and that is the thing you are going to meet on the floor of the Senate. Never mind your not having taken it up with them in the first place. Can we not say, as I said a few moments ago in substance, "United Nations, if you can do this job, we will go out and give \$100 million to see that there is no starvation"? We want to play ball, in other words, with the United Nations. We do not want to do anything that will sabotage that organization.

I am thinking about the effect upon the people of earth and the nations of earth. I know your argument to that, and I think it is a valid argument, that they are not set up at the time. But can they not be set up? And if you say they cannot, have you not sabotaged the United Nations? I am talking now about the way people react, not only in this country but in the other nations of earth.

After all, as Romain said on one occasion, "The human mind is a hell of a contraption." I agree. We have different reactions to it.

Our own people, if we precipitate a quarrel on the floor of the Senate on this issue, if they are not confused now, will be confused then. And whatever we do, if we could get unity, not only around this table but among those folks who, like Byrd and the others, express themselves very forcibly—if you saw the Washington paper this morning, there was a whole headline. I did not hear all of his speech yesterday. Is there not a middle ground without jeopardizing our position as a voice in the wilderness, so to speak? That is the thing to which I would like to have an answer.

Maybe you can draft this instrument so that it will do it and you can do what is necessary and yet leave the impression, without any question that if this last hope of mankind in the U.N. can and will accept the challenge—and I say there is something in a challenge being thrown at you. You never know how far a frog can jump until it jumps. You never will know what the United Nations will do until it senses its responsibility and expects to do the job that can be done.

The CHAIRMAN. May I interrupt you, Senator? I think the theory of the amendment which I suggested yesterday is a complete answer to the thing for which you are looking, because I think it leaves the United Nations in a position where, if it can agree within itself that it is prepared to proceed, it can do so with our blessing. Yet we are left absolutely free to proceed on our own until that happens. I think that is the middle ground for which you are looking.

Senator WILEY. It may be.

## AMERICA'S ROLE IN THE FUTURE

But, Mr. Chairman, I come back to this question, which is not clear in my mind. Why the haste? People, even in this country, differ in their thinking, and other nations are looking at us. We are the big Nation of earth. And we are stepping way out beyond, and Russia and other nations are already getting their propaganda machines into action. I am trying to take a perspective so I can see the forest of the future and not simply the tree that is in front of me. And, Mr. Chairman, no matter how this debate ends or goes on, I would, as has been suggested several times since I suggested it a few days ago, call a spade a spade. I would make our interest in the world picture of tomorrow plain, because we are into the world picture up to our necks, whether we like it or not, one way or the other. But it depends on how we proceed whether or not other nations are with us in this world picture or whether Russia takes them over, and that is the part of this thing about which I am not clear.

I said, after listening to that speech, that we were at the crossroads again. God grant that we take the right road. I do not mean just specifically in this Greek proposition, but in comprehending the whole picture, having the perspective that is involved, because, as suggested here by a Senator a few moments ago, every nation is in every other nation's backyard. There is no question that invention and ingenuity have contracted the world and that time and space are no longer, but we have to consider those things in the picture.

I am sorry I am taking so much time, but Senator Thomas has brought out a situation that I agree with partly, but to me there is a difference. History, as I recall it in Russia, has always been that which we had in this country, a history of expansion. You cannot blame her for wanting these ports. But the other element in that picture which is so dynamic is this communistic, religious almost, spirit that makes it doubly threatening. And that goes cockeyed as we look through history. Remember that even in the church they sent the youngsters over the mountains to die in the profiles of the Alps and elsewhere, thinking that that was God's will.

Well now, I speak not simply from hearsay on this Communist proposition. I have a son-in-law who is in South America, and I had a son who spent 3 years down there in the FBI. And I have had friends that have had business connections. It is almost something in the nature of a religious fanaticism, where men will do thus and so.

Now, you have to consider that. I bring that up only as another element in this whole picture.

That is all I want to say.

Senator HICKENLOOPER. I wonder if I can ask the Secretary a question. He may answer it off the record if he likes.

The CHAIRMAN. Off the record.

Senator HICKENLOOPER. I say it is up to the Secretary as to whether he answers it off the record.

I wonder how extensively you have contacted, unofficially, perhaps, the other stable nations of the world—the Scandinavian countries and the organized countries such as France and China and the Netherlands and the South American countries, as to whether or not they see generally along our program at this particular time. In other words,



unofficially, do they personally feel that we are going far afield, or do they sort of cheer us on a little bit in this activity?

(Discussion was off the record.)

The CHAIRMAN. Well now, gentlemen, what do you wish to do? Secretary Patterson and his staff will be here at 2 o'clock. Shall we run on for a while, until perhaps 12:30 or 1 o'clock, and start writing up the bill? The Secretary, as I understood, came this morning to help us write up the bill.

(Discussion was off the record.)

#### CONSIDERATION OF RESOLUTION

The CHAIRMAN. Gentlemen, are you prepared to proceed to consider the resolution?

Senator BARKLEY. I move that the committee proceed to consider the resolution, if it requires a motion.

The CHAIRMAN. Is there objection to that?

Senator THOMAS of Utah. May I ask first—you say that Secretary Patterson and his staff are coming this afternoon?

The CHAIRMAN. At 2 o'clock.

Senator THOMAS of Utah. Should we hear them before we start?

The CHAIRMAN. I thought perhaps we could deal with one or two of these matters that their attitude probably would not affect one way or the other here. I assume their testimony bears upon the ultimate decision we make, chiefly. Let us see if we can get the resolution in the best shape possible for ultimate consideration.

May we start with the preamble, which was presented by the Senator from Texas and myself?

Mr. Secretary, do you care to comment on the preamble? Have you any suggestions in connection with it?

#### STATEMENT OF HON. DEAN ACHESON, ACTING SECRETARY OF STATE

Secretary ACHESON. No, sir; we have no suggestions.

The CHAIRMAN. Does that mean that you do not object to the preamble?

Secretary ACHESON. No, sir; there is no objection.

#### MURRAY AMENDMENT "D"

The CHAIRMAN. There is one amendment submitted by Senator Murray, as I recall it, to the preamble, marked "D." Here is the Murray proposal:

"Strike out the whereas clause beginning in the sixth line on page 2—that is the Food and Agriculture statement—"of said amendment, and insert in lieu thereof the following:

Whereas the Food and Agriculture Organization of the United Nations has recently completed a thorough survey of the food, agricultural, and other needs of Greece: has published its recommendations for immediate and long-term aid, both of financial and technical assistance: has urged that Greece request such assistance from the United Nations and from the United States and the United Kingdom; and



Whereas the Food and Agriculture Organization is sending a small mission into Greece at the request of the Greek Government to continue assistance to Greece; and

Whereas this effort on the part of an important unit of the United Nations is indicative of the continuing interest and responsibility of the United Nations for aid to Greece and a willingness to accept that responsibility as an obligation of the United Nations; and.

Have you analyzed that, Dr. Wilcox? How does that differ?

Dr. FRANCIS O. WILCOX (committee chief of staff). It differs in one way, in that it puts undue emphasis on this one attempt of an organization of the United Nations. Three paragraphs of the "whereases" would be devoted to the food and agriculture study. We had assumed that one paragraph on each of these aspects would be sufficient.

The CHAIRMAN. Our proposal reads as follows:

Whereas the Food and Agriculture Organization mission for Greece recognized the necessity that Greece receive financial and economic assistance and recommended that Greece request such assistance from the appropriate agencies of the United Nations and from the Governments of the United States and the United Kingdom; and.

Senator CONNALLY. My objection to that first one is that in that we are trying to tell the United Nations this is its obligation.

The CHAIRMAN. It seems to me that the original covers the situation. Is anybody in favor of the Murray amendment? We will pass that by, then.

Is there a Pepper amendment to the preamble?

Dr. WILCOX. No, sir.

Senator CONNALLY. He offers a general substitute for the whole works.

The CHAIRMAN. Then there are no other amendments that have been offered to the preamble, and the preamble is before the committee for action.

Senator LODGE. I move it be adopted.

The CHAIRMAN. The gentleman from Massachusetts moves the preamble be adopted. Those in favor say "aye." Opposed, "No." The preamble is adopted.

I will have to go to the floor in a minute to get permission for you to sit.

#### VANDENBERG AMENDMENT

The next thing I should like to take up is the amendment I suggested yesterday, because I think that is fundamental, and whatever we do with that is likely to have considerable effect on what we do with the rest of it.

May I ask, Mr. Secretary, are you prepared to make a comment or a suggestion in connection with the amendment to which I refer?

Senator WILEY. Is that the one, "The President is directed to withdraw \* \* \*"?

The CHAIRMAN. Yes.

Secretary ACHESON. Yes, Senator, I am.

The CHAIRMAN. Suppose you go ahead.

Secretary ACHESON. I had better come to the principal point right away. We have quite a few suggestions about your paragraphs 1 and 3. The principal suggestion I have to make is in regard to 2, which is:

If requested by a procedural vote in the Security Council or a majority vote in the General Assembly of the United Nations.

What we suggest for consideration is that that read :

If the President finds that action taken or assistance furnished by the United Nations or any intergovernmental organization makes the continuance of such aid unnecessary or undesirable.

The CHAIRMAN. Of course that totally fails to meet my point, as you will readily concede.

Senator HATCH. You are suggesting that in lieu of No. 2 here?

Secretary ACHESON. "If the President finds that action taken" (which would be any vote or anything else) "or assistance furnished by the United Nations or any intergovernmental organization" (which would include the Bank) "makes the continuance of such aid unnecessary or undesirable."

May I suggest for a moment why we have suggested that change?

The CHAIRMAN. Sure.

#### EXECUTIVE OBJECTIONS

Secretary ACHESON. There were three principal points which bothered us about the amendment as proposed. In the first place, as proposed, it substitutes the judgment of either the Security Council on the particular vote, or the General Assembly, for the judgment of the Congress of the United States or the President by law of this country. It seems to us that that is not a wise way to proceed, to have the Congress say that when some other body makes up its mind in a particular way, then the action of the Congress is repealed and the President is no longer authorized to go ahead.

The second reason that bothered us about it is that as proposed, it means that if the General Assembly or the Security Council does not act negatively, then they in effect act positively; if they do not act negatively they in effect by their silence give consent to this. We are very much afraid that if that practice is followed, and if nations adopt the principle of saying that unless the Security Council or the General Assembly vote contrary to what they are doing, then they are going to proceed to go ahead, that you throw into those bodies a great many questions which otherwise would not be there. You require people to consent by silence. You get the United Nations mixed up in a great many questions which, under the Charter, would not necessarily come before them.

The third reason that bothered us is the more technical one of the voting procedure. If this matter were under the Charter a proper matter for action by either the Security Council or the General Assembly, the voting procedure would be different from the way it is contained in this amendment. The Security Council would have to have the concurrence of the permanent members; in other words, the veto would be involved, and the General Assembly would act by a two-thirds vote, because this would certainly be an important question under that provision. Therefore we in effect, by legislation of the United States, say another type of voting than the one the charter contemplates will be sufficient to cause action to be taken by us, and we think we will get involved in arguments that way.

That, I think, is of less importance than the other two considerations.

The CHAIRMAN. With respect to your third one, I entirely agree that all in the world I was trying to do was to say in advance, in effect,

that if the Security Council or the General Assembly do take action in respect to this, we will not use a veto and we will frankly in advance assert our willingness to yield to a judgment to which we are bound, under our membership in the organization, to yield.

Secretary ACHESON. That I think is not correct, Senator. We are not bound to yield to it. Certainly the recommendations of the General Assembly are recommendations, and are so designated in the charter, and that is all they are. And the members of the United Nations are not required by ratifying the charter to adopt every recommendation of the General Assembly.

The CHAIRMAN. Let me interrupt. I did not mean bound by legalism, but I cannot conceive of a situation where action by the General Assembly, particularly action by two-thirds of the General Assembly, by way of recommendation to us, would not be so morally binding on us that we would either have to do it or smash up the United Nations, one or the other.

Secretary ACHESON. That might be so, but we have recently seen one member of the United Nations that did not follow the recommendations of the General Assembly with regard to withdrawing its Ambassador from Spain. That was Argentina, who immediately appointed an Ambassador. I do not say that was a good precedent, but I say that from the point of what you are required to do under the charter, it is merely to consider the recommendation.

The second view is, if our action was considered a threat to the peace, it would not make a binding decision. It would always take a full vote.

Senator BARKLEY. It occurs to me that this matter is of such importance that this might well be passed over until after lunch, I make that suggestion.

The CHAIRMAN. All right. Senator Connally, will you see what else you can do here for the next 10 minutes?

Senator CONNALLY. Will it be possible for the Secretary to come back after lunch?

Secretary ACHESON. Oh, yes.

The CHAIRMAN. Secretary Patterson and his staff will be here at 2 o'clock. I do not want to have the Secretary sit around.

Senator GEORGE. Why not ask the Secretary to comment on these several amendments, and if he has any objections to them, note those objections to those amendments and we can excuse him.

The CHAIRMAN. Are you prepared to discuss any other amendments?

Secretary ACHESON. I think so.

The CHAIRMAN. Suppose the Secretary proceeds to make his general comments.

#### MURRAY AMENDMENTS

Senator CONNALLY. We will take up the Murray amendments.

Secretary ACHESON. We have some suggestions on the other sub-items, 1 and 3.

Senator CONNALLY. Do you not think that is a matter we ought to wait on until Senator Vandenberg comes back?

Senator Murray has a whole flock of amendments. Suppose we take those up. You have one about prices and control of exports and fiscal systems and the Government budget. Those are all conditions.

Secretary ACHESON. Is that the one which says an agreement shall be signed between the United States and each government applying for assistance?

Senator CONNALLY. No; it is "C."

Secretary ACHESON. "On page 1, line 5 \* \* \*?"

Senator CONNALLY. That is right. It makes those things conditions, as I understand it.

Secretary ACHESON. Yes.

Senator LODGE. I have agreed not to press this amendment of mine.

Senator CONNALLY. This is the Murray amendment.

#### WITHDRAWAL OF LODGE AMENDMENT

Senator LODGE. His amendment is to mine. After the Secretary told me they intended to achieve this result without having it put into law, and that it would embarrass them and offend feelings, I determined not to press my amendment. I wish to withdraw my amendment.

Senator HATCH. That disposes of the amendment to your amendment.

Secretary ACHESON. "D" is the one you disposed of.

Senator CONNALLY. By voting it down.

Amendment "E"?

#### MURRAY AMENDMENT "E"

Secretary ACHESON. The next one, "E", proposed a joint congressional committee to be appointed from the Committee on Foreign Affairs of the House and the Committee on Foreign Relations of the Senate which shall, not less than twice a year, visit the countries concerned and make a report to the Congress on what has been done.

I think that is a matter for the committee to decide.

Senator CONNALLY. I do not favor that, because if the President is going to do it he ought not be annoyed by a congressional group going over there. That is my personal view.

Does the committee want to act on that amendment now, or go on?

Senator GEORGE. I move we go on.

Senator HATCH. We are getting into a predicament here. Under the Reorganization Act, can we vote without a majority of the committee present?

Senator LODGE. There are members of this committee who do think there is some merit in having Members of Congress inspect these activities.

Senator GEORGE. I think we might note that the State Department makes no recommendation about that.

Secretary ACHESON. We would not make any recommendation about that.

#### MURRAY AMENDMENT "F"

The next is "F." "In the enactment of this Act the United States undertakes to perform certain activities on behalf of Greece and Turkey \* \* \*." We are not doing it on behalf of; it is at the request of. "\* \* \* which are emergency measures only, with the full realization that they are a continuing responsibility of the United Nations, for which that international organization should be made ready with the utmost expedition."



I should think that that was an undesirable amendment, to lecture the United Nations as to what it ought to do.

Senator CONNALLY. Does anybody object to its elimination?

Senator GEORGE. I do not object to it. I think we ought to pass it by now. We will just note the Department's objection to it.

Senator HATCH. I am serious. I doubt whether we should adopt anything or take action on anything with the small number we have present now.

Senator LODGE. I doubt that myself. I do not think we ought to vote on any of these.

Senator GEORGE. We ought to hear the Secretary on any pertinent observations he has about them.

Senator CONNALLY. He does not see that this is necessary.

Senator GEORGE. He does not think it is good.

Senator CONNALLY. I do not think anything of it.

#### MURRAY AMENDMENT "G"

Secretary ACHESON. The next is "G", which provides:

An agreement shall be signed between the United States and each government applying for assistance under the provisions of this Act, which shall commit such government to the acceptance of aid in full conformity with the provisions of this Act before any steps shall be taken to carry out its terms. Such agreement shall be made public, and a copy filed with the United Nations.

That is already contained in the act, and the requirement to file a copy with the United Nations is contained in the Charter, so that is mere duplication.

The agreement shall clearly set forth the condition that the recipient government shall make available to the Economic Mission every possible facility necessary in carrying out that mission's work under its own leadership, direction, and control.

That is already in the act.

When direct relief is furnished under the terms of such agreement to destitute persons, it must be provided without regard to any consideration other than their need.

That is contained in the relief bill under which the funds would be used to give money for food and clothing and that sort of thing. It is not covered by this bill. So that is unnecessary in this bill. It is already contained in much greater length in the relief bill. That is subsection (c) of amendment "G."

The same thing is true of (d). It says:

Essential consumers goods furnished under the terms of this Act shall be distributed according to plans worked out by the Economic Mission which shall have full responsibility to insure that their distribution is equitable, according to need, and on terms and in such manner as provides the widest distribution of these goods amongst the people.

The consumers goods are being furnished under the Relief Act and not under this act. There is \$50 million contained in the Relief Act, and all of these provisions are spelled out in great detail under this act, and are quite unnecessary here.

(e) Noncompliance with any provision of the agreement by the recipient country, or the existence of any condition which prevents the mission from carrying out its work effectively, may be considered by the Administrator or his mission chief as sufficient cause to discontinue the distribution of goods and performance of services in the entire country or any part of it.

I think that whole amendment "G" is both unnecessary and written under the assumption that the consumers goods are furnished under this act, whereas they are furnished under the other one.

Senator LODGE. All the consumers goods will come under that act?

Secretary ACHESON. No, some of them will not. But the food and clothing, the sort of stuff that you ration, will come under the other Act.

MURRAY AMENDMENTS "H," "I," "K," "L"

"I" really comes first in logic ahead of "H."

Senator CONNALLY. All right; take up "I."

Secretary ACHESON. I think we discussed this whole question yesterday of whether there should be an administrator appointed by the President, and Senator Lodge offers an amendment on that which I think he has discussed further with us.

Senator LODGE. Yes; I have a new slant on that.

Secretary ACHESON. Which I think covers it much better than this one. I think Senator Lodge's revised amendment, that—

The Chief of any mission to any country receiving assistance under this Act shall be appointed by the President by and with the advice and consent of the Senate, and shall perform under the general direction and supervision of the Secretary of State such functions relating to the supervision of this Act as the President prescribes.

Senator CONNALLY. I think the Lodge amendment meets the situation.

Secretary ACHESON. Yes I think that covers both "H" and "I."

As to amendment "K" of Senator Murray, that attempts to say that certain amounts of the sums allocated to Greece shall be used for specific purposes. We think that it is unwise in legislation to try and say how much shall be used for food and how much for agriculture, industry, communications, and how much for other aids, including the maintenance of order. We think that is an administrative matter that is much better handled administratively.

In "L" Senator Murray divides the \$400 million into \$250 million for Greece and \$150 million for Turkey. Again we think it is unwise in the legislation to try to divide it in that way, and, in fact, Mr. Clayton testified that it would be nearer \$300 million for Greece and \$100 million for Turkey.

Those are all of Senator Murray's amendments.

Senator WILEY. Did they all go out the window?

Senator LODGE. We did not vote at all.

Senator CONNALLY. We have a quorum now, though.

LODGE AMENDMENT ON CONFIRMATION OF MISSIONS

The CHAIRMAN. I wonder if we could not return to the Lodge amendment respecting the question of the chief of the mission. I wonder if we cannot vote now on the Lodge proposal dealing with the subject with which Senator Murray deals, with respect to the appointment of the Commissioner and so forth.

Senator LODGE. I have copies here of the amendment that I have worked out. It is not printed. It is typed. I will read it again.

At the end of the bill add a new section, as follows:

SEC. 7. The Chief of any mission to any country receiving assistance under this Act shall be appointed by the President by and with the advice and consent

of the Senate, and shall perform under the general supervision and direction of the Secretary of State such functions relating to the administration of this Act as the President shall prescribe.

Senator HATCH. Does not Senator Ball have an amendment along that same proposition? I wondered what the difference was. We might dispose of all of them at the same time.

Senator THOMAS of Utah. Does the bill provide for a chief of mission, or is this an invitation for the President to run it in this way?

Senator LODGE. This makes it possible for the President to appoint a chief of mission.

Senator THOMAS of Utah. It is just a suggestion to him that that is a good way to do it. There is nothing in the bill providing for a commissioner, is there?

Secretary ACHESON. No.

Senator THOMAS of Utah. Then do you not want, Senator Lodge, to say that those appointed to administer shall be confirmed by the Senate, or something like that? I think that it is wrong to put in legislation a directive applying to a chief of mission when the bill itself does not use the term "chief of mission," because this is a hint that that is the way the President should run it, and what we want here is to see that those persons the President selects are confirmed by the Senate. That is the objective, is it not, Senator Lodge?

Senator LODGE. Yes.

Senator THOMAS of Utah. Do you not think that by leaving it in general terms rather than in a particular term limiting it entirely to a chief of a mission, if the President does not operate that way, if he should send a commission, the commission does not have to be confirmed.

The CHAIRMAN. How do you propose it?

Senator THOMAS of Utah. I worded it very loosely, that those appointed by the President to administer this act shall be confirmed by the Senate of the United States. That is the idea.

The CHAIRMAN. That would include everybody down to the water-boy, would it not?

Senator THOMAS of Utah. No, that does not mean that.

The CHAIRMAN. "Those who administer"?

Senator THOMAS of Utah. "Those who supervise the administration" is all right.

My point is that the President can completely ignore this by sending a commission and saying, "Well, it directs me to have only a chief of mission confirmed, and I won't have a chief of mission." Do you see what I mean? If you provide for the administration in the act, then you can provide that those administration are confirmed by the Senate.

Secretary ACHESON. I do not think this will cause any trouble at all, Senator.

Senator THOMAS of Utah. It may not cause any trouble, but it may, Mr. Secretary, I think, make it kind of tough on the President if, for instance, the organization does not follow exactly this scheme, and he does not send the names of persons up here to the Senate because he is not required to. I would make our instructions to the President about confirmation very, very definite. That is the whole purpose of this.

The CHAIRMAN. Suppose you said this: "The chief of any administration, or any administrative commission, to any country receiving assistance \* \* \*."

Senator THOMAS of Utah. That is all right. That leaves it to the President to go either way, and it also reserves the right of confirmation for the chiefs who are directing this thing.

The CHAIRMAN. What do you say to that, Mr. Secretary?

Secretary ACHESON. I think you can do that, or you could say, "Any person in charge of and responsible for the activities undertaken pursuant to this act within any country receiving aid." That would be the chief of mission or the head of a commission, or anything else.

The Chairman. Are you sure that would not mean the purchasing agent in the subdivision up in northern Greece?

Secretary ACHESON. I should think not. I would hope not.

The CHAIRMAN. That is the point.

Secretary ACHESON. I think Senator Thomas' suggestion is all right.

Senator LODGE. "The chief of any mission or any administrative commission \* \* \*."

The CHAIRMAN. Senator Lodge's amendment is amended as indicated.

Senator CONNALLY. I do not like the language—and this is no affront to the Secretary of State—"under the general supervision and direction of the Secretary of State." Why do you not just strike that out and say, "shall be confirmed by the Senate and shall perform such functions relating to the administration of this act as the President shall prescribe."

You are lessening the President's importance, it seems to me, by putting in the Secretary of State. Of course the Secretary of State will do it if it is done, under the direction of the President. I do not think it is of high importance, but it seems to me it is unnecessary.

Senator THOMAS of Utah. I think it is very wise to do that, Mr. Secretary, because you are going to have the Army mixed up in this, are you not?

Secretary ACHESON. The Army will have people there.

Senator THOMAS of Utah. And you may have conflicts of authority.

Senator HATCH. We do not want to be charged with bypassing the President of the United States now.

Senator CONNALLY. As I view it, this whole bill is based upon the responsibility of the President. We are giving him this money. He is responsible, directly, and he is required to make reports to the Congress. Why introduce another element and another factor between him and the Congress in the responsibility for this fund? If we put that clause in there, anything that happens can be laid on the State Department rather than on the President.

The CHAIRMAN. Did I understand the Secretary had no objection?

Secretary ACHESON. No objection to cutting it out.

The CHAIRMAN. Senator Lodge, you have no objection?

Senator LODGE. I like it in there, myself, but I am not going to object.

The CHAIRMAN. We will take it out, then, and the amendment we are voting on reads as follows:

The chief of any mission or any administrative commission to any country receiving assistance under this act shall be appointed by the President by and with the advice and consent of the Senate, and shall perform such functions relating to the administration of this act as the President shall prescribe.



Senator CONNALLY. If you do not look out you are going to run into difficulty, because somebody will be contending that everybody in the military group or everybody on the mission ought to be confirmed.

The CHAIRMAN. If there are going to be five men instead of one named to administer this thing, I do not know why we should confirm one and not the other four. Do you?

Senator HATCH. Is not the thought to confirm those upon whom the responsibility rests?

The CHAIRMAN. Sure.

Senator HATCH. That is what you want to say. It is a matter of language.

Senator CONNALLY. It is not contemplated that you are going to send a commission.

Secretary ACHESON. There is not going to be any commission.

Senator THOMAS of Utah. I think if we had stayed with the first one we would have got along better all the way through.

The CHAIRMAN. Are you satisfied that the language that you have submitted, Mr. Secretary, is not wide open for pretty broad inclusions?

Secretary ACHESON. I do not like it as well as what Senator Lodge proposed.

Senator CONNALLY. Why do we not just cut out the administrative commission. "The chief of any mission"—would that not include a commission?

Secretary ACHESON. Yes; it would.

Senator CONNALLY. If we sent a commission, would that not be a mission, the chief of which would have to be confirmed?

Secretary ACHESON. It would.

The CHAIRMAN. Senator Thomas is the one whose acquiescence you have to flirt with.

Senator THOMAS of Utah. It is all right. I just do not like to direct the President to do a certain thing when he is not directed in the law to do a certain thing.

The CHAIRMAN. If you have no great objection, and if Senator Lodge is willing again to permit an operation on the language, it will read:

The chief of any mission to any country receiving assistance under this act shall be appointed by the President by and with the advice and consent of the Senate, and shall perform such functions relating to the administration of this act as the President shall prescribe.

Senator CONNALLY. It is contemplated here that to Turkey they will not send any mission, but that the Ambassador will do it. Where does that leave him?

Secretary ACHESON. That would cover him. His name would be sent up for confirmation.

The CHAIRMAN. Without objection, the amendment is agreed to.

You went through the Murray amendments. Was there anything in the balance of the Murray amendments that either the Secretary or any member of the committee approved?

Senator CONNALLY. Not so far as I could find.

Senator HATCH. There was one amendment Senator Lodge said the Senators were interested in.

## CONGRESSIONAL COMMITTEES

Senator LODGE. There was an amendment on which the Secretary expressed no opinion, which required members of the House Foreign Affairs Committee and the Senate Foreign Relations Committee to visit this part of the world. I have heard that discussed by members of this committee, so I just call attention to that fact.

Senator CONNALLY. I expressed my disagreement with that amendment. I just suggested that to have the President vested with this responsibility and then to have two congressional committees going over there smelling around would not help things any. They can go if they want to, unofficially.

Senator WILEY. I still think my original proposition on that, given to you people several months ago, should be considered, but not in connection with this, and I do not want to go to Turkey.

Senator LODGE. I have seen a lot of these congressional committees travel abroad when I was in the service, and it is true that the top men are awfully glad after they have gone, and that they make a lot of noise and they make a damned nuisance out of themselves in a great many ways. On the other hand, they are outside of the chain of command. They are not in the executive branch setup, and they do bring in sort of a breath of fresh air, and the people can talk to them, anybody who has a gripe can talk to them, and I think it is part of the strength of our system that we have a system of government in which we can criticize ourselves.

I think if Hitler had had a lot of Congressmen sticking their noses into all his activities he might not have made so many mistakes. The dictatorial system does not always work, and I think the fact that the Army developed this system of rotation of troops is an illustration. I do not think that would ever have happened if it had not been for Members of Congress visiting.

I have every personal reason to be opposed to it, because on one occasion I had to be the waterboy and arrange for the entertainment of these birds, and I know what a damned nuisance it is. Also, I do think it can do some good.

Senator WILEY. May I put in my 2 cents' worth on this amendment here suggested? I am not in favor of it, but I assume from what you have said that you would join me in what I tried to say several months ago, that this earth was so big, and yet so small, that it ought to be divided into segments, and that the people of the Foreign Relations Committee ought to have certain portions of the earth that they can get acquainted with—for instance, South America, northern Europe and Britain, and the Far East; and, now that the war is over, it should not any longer simply be the chairman of the committee or the former chairman who should take part in those things because, wise as they are, they cannot get acquainted as you could be if you sent down, say, to South America, a group, or you sent to the Far East a group.

I am not talking about military visitations, visiting the military. I am talking about getting acquainted with and becoming more or less experts in the affairs of the earth that way, and the State Department can take notice and they could do a good job in arranging it when Congress is over.

Senator CONNALLY. Let me suggest right there that in lines 8 and 10 you are permitting these committees to go over there and smell around and then come back and make full reports to the Congress and the American people as to the administration of this act. The President is required to do that now under the act, and if they should come back and make a slathering sort of a report you would have endless debate that would embarrass the whole program and would cast odium on us in many ways.

Senator LODGE. Let me say to the Senator from Texas that I am not urging this amendment at all. I have not moved its adoption, and I do not think I would vote for it. I made my statement as a result of Senator Connally's statement that he thought it was always an unfortunate thing to have these men go out.

Senator CONNALLY. I did not mean it so broadly. There are circumstances that would warrant it. I do not think this sort of bill is the one to try out on the dog.

Senator LODGE. The Senator can always travel at his own expense and go and visit these countries if he wants to.

Senator THOMAS of Utah. Have we not in the Reorganization Act provided for this sort of thing whenever the committee decides it should be done?

The CHAIRMAN. It not only is in the act, but it is almost a mandate in the act. I think that is really a complete answer to the situation.

Senator LODGE. I think so. I was not urging this thing. I was bringing this little item out of my own experience when I thought it had done some good.

The CHAIRMAN. Are there any other Murray amendments that any Senator wishes to press?

Without objection, we will set this file of Murray amendments aside.

Senator CONNALLY. We passed over a couple of amendments while you were gone.

As I understand it, we are killing all the Murray amendments.

#### LODGE AMENDMENT "B"

Senator LODGE. There is one amendment which I have withdrawn, and there are two which I would like to move at the proper time.

The CHAIRMAN. All right, Senator; go to it.

Senator LODGE. Amendment "B" would go on page 5, at the end of line 8, and I will read it:

On page 5, before the period in line 8, insert a semicolon and the following: "and (e) not to use any part of the proceeds of any loan, credit, grant, or other form of financial aid rendered pursuant to this Act for the making of any payment on account of the principal or interest on any loan made to such government by any other foreign government.

I may say that I have worked out this language with Mr. Acheson's office. When I first proposed this amendment at the public hearing, the Secretary said he approved of it in principle, and then I sent the language down and he approved of it in principle, so I think it has the approval of the State Department.

I move the adoption of that amendment.

Senator GEORGE. I second it.

The CHAIRMAN. Is there further discussion? Those in favor say "aye." Opposed, "no." The amendment is adopted.

Senator LODGE. I said while you were out of the room that I had decided to withdraw my amendment setting up a tax system in these countries, because the Secretary said they intended to do this and they were confident of getting those assurances from the foreign government, but it would be an embarrassment and wound local pride to have it put in the law, so that is out.

#### LODGE AMENDMENT "A"

That leaves one more amendment, amendment "A," which would go right after this amendment "B" which we have adopted:

No assistance shall be furnished under this Act which shall have the object (a) of promoting the continuance or expansion of any totalitarian purpose or goal, whether communistic or fascistic; or (b) of rejecting the proposition that individuals have inalienable rights and must be both free and the masters of their government.

I submitted the gist of that to the Secretary yesterday, and while he did not commit himself on the exact wording, he did approve of it in principle.

Secretary ACHESON. We will not offer any objection.

Senator CONNALLY. Mr. Chairman, that seems to imply that if you do not adopt it, the President will go down there and use some of these funds for the establishments of these totalitarian purposes, which we all know he will not do. I think that is just a little bit unnecessary and goes a little too far. The presumption there would be, by those who want to criticize it, that we are preventing him from doing what he might otherwise do. With all respect to the Senator from Massachusetts, I do not think it is a wise provision to insert, even though it has some part of the blessing, or a little bit of the blessing, of the State Department.

Senator LODGE. I do not want to make the State Department particeps criminis in this thing. Of course, if the President signs this bill with this amendment in it, it is pretty hard to see how it can be construed as a reflection on him.

Senator CONNALLY. He will have to sign whatever we give him. He cannot pick out what will come to him.

Senator LODGE. I would like to tell the Senators what my reason is for offering this thing. The argument has been raised in the country, and also among the members of the Senate—I have heard it and I am sure you all have—that we are against communism in the Near East, but we are for it in China and we are shipping machine tools and generators to Russia and we help Tito, and there are a great many people—and I get it from my correspondence—who do not want to see this aid used to promote ideologies that are hateful to us, and as a result of the experience in Yugoslavia there are a great many people who think that that has to be done.

Senator CONNALLY. That was UNRRA; it was not us.

Senator LODGE. They think it was our money.

Senator CONNALLY. It was, largely.

Senator LODGE. I feel that this prohibition on communism will strike a very responsive chord with a great many people in this country.



Senator CONNALLY. You will have this, whether communistic or fascistic. You will have a large group claiming that because the President may support the Government of Greece, that that is a fascistic government, and just raise all sorts of hell about such an amendment.

Senator LODGE. That would be true if I said "which shall have the effect of promoting \* \* \*." I said, "which shall have the object." Certainly nothing is going to be done which has the object of promoting communism or fascism. You may do things which will have that effect, and of course you are going to have to work with a lot of totalitarian methods over there. In quite a different sense all armies are totalitarian, so far as that goes. The system we have under the Atomic Energy Commission is totalitarian. I think when you have "the object" that word utterly eliminates any possibility of hampering the administration of the act.

Senator SMITH. Would you not get some possible misconception under (b) ?

Senator LODGE. I showed this amendment to some members of the Senate, and this came from those conversations. They said that they thought it was time we said something positive about our own system, that we ought to make American democracy an export doctrine, that the Christian ideal of the dignity of man was the most revolutionary in the world, yet we have seemed to hide it, and we have allowed the Russians to get going with their communistic doctrine, and they would like to see something on the plus side and for the thing we stand for.

That was a simple idea, and when I started writing it it was not so simple, because you do not want to put in anything that makes it look as though we are trying to force democracy down their throats, and I did not want to put it in the Preamble, because, after all, the purpose of this act is not to bring democracy to the Greeks. We would not have any right spending public funds for that. So this was the only way I could get at the idea.

Senator CONNALLY. You have your quota of one amendment. Why do you not withdraw this ?

Senator LODGE. No; I do not want to withdraw it. I think it is a very good thought. I think it will startle people over there; this fact that we have put communism and fascism together in one sentence is going to be a very startling thing. There is a lot of idealism in this bill, and we ought to say so, and make it apparent that there is an idealistic element in this proposition.

I believe that this language will be very useful to the chief of the mission. I think he will be glad to have it. He may frame it and stick it over his desk.

Senator CONNALLY. The commissioner, when he goes over, will have instructions from the President and the Secretary of State, and they will not be to foment fascism or communism.

#### GENERAL LINCOLN AS A WITNESS

The CHAIRMAN. We do not have a quorum. As I understand it, we are now through with all amendments that have been submitted except the one from Senator Lodge, which we are now on, and Senator Johnson's, and Senator Pepper's substitute. We have no quorum, and cannot act. Since we have cleared the track to that extent, it seems to me

that if we meet tomorrow morning at 10 o'clock we can have the Secretary here and we ought to be able to finish the job by noon on the amendments. So I suggest that we recess now, but I want to call attention to the fact that Secretary Patterson has just called in and said that the House Committee on Expenditures has called him back this afternoon; that he can probably get here by 3:30, but that he could send some of his experts at 2 o'clock if that is what you want. He mentioned General Lincoln in particular, who is his chief military adviser, I think, in respect to these details.

Senator George, you want the Secretary, however; do you not?

Senator GEORGE. I would like to talk with him, but I do not think it makes any difference.

Senator CONNALLY. We will probably get a more limited discussion from General Lincoln than we would from the Secretary. The Secretary was here the other day and he made a general sort of statement. If it is going to be a question of strategic matters, it seems to me that General Lincoln might fill the bill, and let the Secretary, if he wants to, come up tomorrow and OK what he said.

The CHAIRMAN. I think General Lincoln is a better witness for Senator Lodge than the Secretary. The only thing I wanted to be very sure of was that Senator George had what he wanted in this connection. It is perfectly agreeable to me to have the Secretary here at 3:30.

Senator GEORGE. That will press him pretty hard. He cannot tell when he is going to get rid of a committee over on the House side, any more than he could over here. So I think you had better just let General Lincoln come on. May be I might ask him a question. I do not know. What I wanted to find out is what you are going to take out of your stockpile and what you are going to take out of the Army, and how much of this money is going to be funneled back into the Army for them to go ahead and spend.

The CHAIRMAN. Suppose we have General Lincoln at 2 o'clock, and then we will see if beyond that it is necessary to have the Secretary.

We will recess until 2 o'clock. You ask General Lincoln to be here at 2 o'clock, and tell the Secretary we will send word over there if we need him.

(Whereupon, at 12:40 p.m., the hearing was adjourned, to reconvene at 2 p.m. of the same day.)

#### AFTER RECESS

The hearing was resumed at 2 p.m., Senator Arthur H. Vandenberg, chairman, presiding.

The CHAIRMAN. Gentlemen, I think the committee can come to order. We will make the record for those who are missing.

General Lincoln, will you take a seat at the table with your associates, and will you identify yourself and your associates for the record?

#### STATEMENT OF BRIG. GEN. GEORGE A. LINCOLN, PLANS AND OPERATIONS GROUP, WAR DEPARTMENT GENERAL STAFF

General LINCOLN. I am Brigadier General Lincoln, of the Plans and Operations Group, War Department Staff, and have with me General Reber, of the Legislative Liaison Division, War Department,

and Colonel Offer, of the Service Supply and Procurement Division of the General Staff.

The CHAIRMAN. We asked you to come down today chiefly because Senator Lodge had some questions he wanted to submit to you, and I will turn you over to Senator Lodge.

#### STRATEGIC IMPLICATIONS OF MIDDLE EAST

Senator LODGE. I wanted you to make a statement, as complete as you could without, of course, violating any military secrets, as to the broad strategic implications of the area that is under discussion before this committee at the present time. I am not asking you to tell us where any troops may be located or anything of that kind, but I do think it would be very useful to have you expound on the strategic implications of that whole Middle Eastern area, in terms of land, air, and sea activities.

General LINCOLN. If I may go ahead, I apologize, gentlemen, for not bringing a map, but I remembered your map and that that it included the whole Middle East on a very good map. I have just sent for one which should be here in a comparatively short time.

Senator LODGE. I wish you would make a statement in your own words and in any way you want to.

General LINCOLN. All right; if I may start by saying that this situation we face at the present time we in the War Department, the military people, consider is what you might call subversive war. We are in an ideological struggle, apparently. The stakes of the struggle are such that they may possibly come out so that the opposition attain all their ends by means short of war, and we are left in a position where we will be unable to fight even if we wanted to or desired to.

In the broad, the big picture, we feel that Greece, Turkey, even the Middle East, have got to be viewed always in the light of the global situation. It happens that we are having a little trouble about Greece and Turkey at the present time, but they are just one of the keys on the keyboard of this world piano that is being played at the present time. Anything that happens in Greece and Turkey inevitably has an effect on the rest of the Middle East, on western Europe, and clear around into the Pacific, because all these peoples are watching what the United States is doing. They are watching what Russia is doing; they are watching which way the peoples move, and we recognize that if the countries of the world lose confidence in us they may in effect pass under the Iron Curtain without any pressure other than subversive pressure being put on them.

This thing that I have said is approximately what Mr. Acheson said the other day. He pointed out that we ended this war with two nations and only two great nations left in the world, and we face a situation that we have not seen since the days of Rome and Carthage—and we know what happened to Carthage.

Now, as to the strategic situation:

(Discussion was off the record.)

The CHAIRMAN. Senator George, do you wish to submit some questions?



## DISCUSSION OF MILITARY SUPPLIES

Senator GEORGE. No, I do not think I do, unless you could tell me, going back to the basis of this bill, what military supplies and from what sources we intend to supply them to Greece and Turkey.

General LINCOLN. I can generally; yes, sir.

Senator GEORGE. Are there any specifications made up generally?

General LINCOLN. As to the Secretary of War, I am going to repeat in part what he said to start this thing off. We have a general estimate, in broad categories, of these supplies, arising in part from our own determinations—we have an attaché office in Greece, for instance, who has looked into the situation—and in part from information available from the British. We have, in general confidence with the British, because they pinch their pennies when they give things to other people, too, felt that we were going to have to check all that in detail ourselves. They break down into categories something like this: Weapons; ammunition for the weapons; vehicles, petroleum oils and lubricants, gas and other things; clothing; food; horses and mules; and engineering supplies, roadbuilding equipment and that sort of equipment. Those eight categories I am thinking of.

The cost of those things, or any one of them, breaks into three parts. Before I say that, let me say that in figuring these supplies you also have to figure the replacement and maintenance. It is no good, for instance, just to give a man a jeep or sell him a jeep, or sell him 100 jeeps. He has to fight this campaign for a year, and we know on the average that it may be that during that period 10 of those will get wrecked and you will need 100 spark plugs and so on, so you have to figure in maintenance as well as the original supplies.

The cost breaks down into three parts. There is the original cost of the item, whatever it is. There is the cost of repairing. It has been out in the field and you have to tune it up a bit. There is the cost of packing and crating it and there is the cost of shipping it. Ocean transportation costs money. There are those three items. As to the cost of repairing, packing, crating and shipping, even if we gave the goods, so to speak, you still would have to pay that.

Then we come back to the initial cost of the items. On food, clothing, horses and mules, petroleum oils and lubricants, you can see right away that that has to come from the open market. The Army has no horses and mules. We have eliminated the cavalry. Those have to come from the open market. And on food, for instance, we just keep 90 days supplies for our own troops, or something like that. The same with the gasoline.

On the other items, we go and look for them, and we have looked into the matter. On the basis of the limited information we have there is only a small percentage of it surplus. For instance, you want radios. Or, to pick a better example, motor transportation. In general the Army is short motor transportation. We have gotten rid of most of our surplus. In fact, in those things we did not have very much surplus. We used it up during the war.

Senator GEORGE. So we would not have very much surplus supplies to draw on to furnish and to equip the Greek or the Turkish Army?



General LINCOLN. No, sir. What it amounts to is that we are taking it out of the Army active stocks and it will have to be replaced. We were pushed pretty hard, you know, to get rid of any surplus. We overdid it in spots.

Senator GEORGE. So that most of it would really have to come out of open market operations?

General LINCOLN. Yes, sir. The most efficient way to do it would be to take it out of Army stocks, probably, and replace them. For instance, we have it in a depot now. Some of it would not be used until a year from now. Ship that to Greece, and replace it by purchases that get in within the year.

Senator GEORGE. No considerable part of it would come out of surpluses?

General LINCOLN. So far as we have been able to go in this investigation, the answer I have gotten from our experts is just a few percent, and we have looked a long while to find that.

Senator GEORGE. Thank you very much.

#### TAKE OVER FROM BRITISH MILITARY

Senator LODGE. I have one more question: General, I am told that at the present time the Government of Great Britain, through the British Army, is in control of all military matters in Greece, including the air fields which were built with American money. Will we take these controls over entirely, or will it be a joint operation with the American representative in senior position because of our preponderant military effort?

General LINCOLN. I believe the Secretary of War's expressed view has been that we should give this assistance with a minimum of personnel and sort of minimum ostentation and fussing with the Greeks, while still assuring that American resources were expended as economically as possible. Under those circumstances, I do not think we would take over anything, Senator. As a matter of fact, I think you will find that the British are doing it by some moral suasion in advising the Greeks, who are really running the air fields. When you begin to go in and run an air field yourself it costs a lot of money and takes a lot of people. It is better if you get hometown people to do all the work and you make some suggestions as to the technique of operations and things of that sort.

Senator GEORGE. General, you would not expect Britain to leave much of her military equipment in Greece if she moved out, would you?

General LINCOLN. To begin with, they have left there a comparatively small force. I do not know how many, but it is four battalions. Well, four battalions plus the normal British supporting troops is considerably less than 10,000 men.

We got some inkling that their plan, included in all these estimates of theirs, was the idea that they counted on leaving some things that were in their depots. Those have been taken account of. There was not very much in their depots. They stripped them down.

Then I want to differentiate between the brigade they have and the British mission, which we expect to stay.

Senator GEORGE. How large is the mission?

## BRITISH CREATION OF GREEK ARMY

General LINCOLN. The mission is several hundred officers and men. It has not been doing badly with the Greek Army. After all, they had the job of setting up the army from scratch.

Senator WILEY. The British did, you say?

General LINCOLN. Yes. When the British went in there as the Germans went out, what you had was a country without even a street-sweeper in it. The Government was gone, the whole Greek Government; all the organs of Government were gone and had to be recreated, and there was no Greek Army as such, no Greek Air Force, and no Greek Navy. They had to start from scratch.

## GREEK NAVAL SITUATION

Senator GEORGE. Have the Greeks any navy now?

General LINCOLN. They have a small navy, consisting of seven or eight destroyers, some minesweepers, a few what we call amphibious craft, I think three landing craft tank, and a few other odds and ends. They have been employed in running supplies, I think, and a few troops, to Salonika from the Athens area and in a little minesweeping, and have made some attempt to stop these bandits who have been running around and doing a little overseas movement, running up and down the coast in these little Greek boats that they call caiques.

Senator GEORGE. I saw yesterday or the day before where the Greek Army or Navy had announced that they had perfected a blockade of their coast.

General LINCOLN. They may have gotten that buttoned up. There was a while there when the Greeks did not even have control of their own innerseas. It is probably one of the problems where there is not enough diesel oil to run the ships, which is one of the things you run into.

Senator GEORGE. Are they not accessible to the oil there in the Middle East?

General LINCOLN. They have no oil of their own and they have to buy it, or someone will have to give it to them, one or the other.

Senator GEORGE. They have to buy all their fuel oil?

General LINCOLN. All their fuel oil; yes, sir.

## CONDITION OF GREEK AIR FORCE

Senator GEORGE. How are they fixed on planes?

General LINCOLN. They have a small Air Force which the British have created or helped them create. I think it is about 50 planes, consisting of reconnaissance planes and a few old-fashioned British fighters, which are all right for the sort of work they have to do in the mountains. These reconnaissance planes are, to some extent, useful to fly over and look down and find out what is going on, and to work air-ground communication with the Greek Army, and to do some bombing and a little strafing, and in certain areas they are effective. In other areas it does not work very well. You envisage a country that is on about a 45-degree angle. Planes cannot get down in the valleys, and there is not much value to chasing single individuals with air-

planes and it is not numerative to drop a load of bombs trying to catch one man.

If I may, I would just like to point out the rest of this Middle Eastern country.

(Discussion was continued off the record.)

The CHAIRMAN. Anything else, Senator George?

Senator GEORGE. No.

The CHAIRMAN. Senator Wiley?

(Discussion was off the record.)

The CHAIRMAN. Are there any other questions that any Senator wants to ask?

(Discussion was off the record.)

The CHAIRMAN. Is there anything else that anybody wants to ask General Lincoln? If not, we are very much obliged to you, General.

May I ask the committee if they still wish Secretary Patterson?

Senator LODGE. No.

The CHAIRMAN. We are through, then, for the afternoon.

General LINCOLN. May I say one thing, sir. I hope the committee understood that Secretary Patterson was already pinned down by a committee at the House. I am just a very poor substitute.

The CHAIRMAN. We will recess until 10 o'clock tomorrow morning.

(Whereupon, at 3:20 p.m. the hearing was recessed, to reconvene on the following day, Thursday, April 3, 1947, at 10 a.m.)

## EXECUTIVE SESSION

S. 938

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THURSDAY, APRIL 3, 1947

UNITED STATES SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, D.C.*

The committee met, pursuant to adjournment, in the committee room, the Capitol, at 10 a.m., Senator Arthur H. Vandenberg, chairman, presiding.

Present: Senators Vandenberg (chairman), Capper, White, Wiley, Smith, Hickenlooper, Lodge, Connally, George, Thomas of Utah, Barkley, and Hatch.

Also present: The Honorable Dean Acheson, Acting Secretary of State.

### UNITED NATIONS AMENDMENT

The CHAIRMAN. The committee will come to order.

Let us take up the veto amendment first, or whatever you want to call it. Have you seen the form in which we rather informally agreed upon this here last night, Mr. Secretary?

Secretary ACHESON. Yes, sir. I got it late yesterday afternoon.

The CHAIRMAN. Do you wish to comment on it?

Secretary ACHESON. Yes, sir. I will be glad to do that. I have a suggestion here about it. May I give you a copy of it?

I understood, as a result of the discussion yesterday afternoon, Mr. Chairman, that the committee was of the opinion that the right of decision on this matter ought to be in the United Nations.

The CHAIRMAN. That is right.

Secretary ACHESON. And not in the Government, and therefore what I am saying is based on that view of the committee. I am not going to argue about that at all.

In paragraph 2, as drafted, it was felt that what the U.N. was going to decide could be made somewhat clearer, so we have put down these words which you have before you:

If the President is officially notified by the United Nations of a finding by the Security Council (with respect to which the United States waives its right to exercise a veto) or by the General Assembly of the United Nations that assistance furnished by the United Nations would substantially duplicate the aid authorized under this Act, or the action taken by the United Nations is incompatible with the continuance of such aid.

We suggest that, for the purpose of trying to focus the United Nations on the two essential points. One is that they find that what they are doing would substantially duplicate what we are trying to do, or



that what they are doing is quite inconsistent with what we are authorized to do under the act.

Senator CONNALLY. You mean, if they find that what they are doing is incompatible with what we are doing, or the other way around?

Secretary ACHESON. If they find either that assistance which they are furnishing will duplicate what we are doing they will tell us to stop, or if they have some other kind of action which they think is incompatible with our continuing the aid under the act they will tell us that. They will say, "It is inconsistent for you to go ahead and do what you are doing."

PURPOSE OF AMENDMENT

Senator CONNALLY. I think your proposal weakens what we are trying to do. We are trying to say in this amendment, "All right, UNO. If you want us to quit, you first take over yourself, and then we will quit." But you give them there the right to veto our action without doing very much; do you not?

Secretary ACHESON. I do not think so, Senator Connally. We have two ideas here. One is that if they want to aid Greece and Turkey they say, "What we are going to do is duplicating what you are doing," or "We want to do something quite different," and they say, "Your action is inconsistent with U.N. action."

The CHAIRMAN. I do not like the word "duplicates." I do not think that is broad enough. It is not just a question of whether it is duplicated. It is a question of whether it adequately substitutes for it.

Senator LODGE. Meets the needs of the situation.

Senator SMITH. Might I ask if the Secretary objects to the form that we discussed last night?

The CHAIRMAN. He is presenting this as a preferable suggestion.

Senator THOMAS of Utah. May we hear it again?

The CHAIRMAN. "If the President is officially notified by the United Nations of a finding by the Security Council (with respect to which the United States waives its right to exercise a veto) or by the General Assembly of the United Nations that assistance furnished by the United Nations would substantially duplicate the aid authorized under this act, or that action taken by the United Nations is incompatible with the continuance of such aid."

Mr. Secretary, instead of saying "would substantially duplicate"—

Secretary ACHESON. "Would be an adequate substitute for"?

The CHAIRMAN (continuing.) "Would be an adequate substitute for the aid authorized under this act."

Senator SMITH. Then, as I understand that, they would have to have some substitute. They could not simply say, "We do not approve of what you are doing." You would not let them say that?

The CHAIRMAN. They can say that under this last sentence.

Secretary ACHESON. Under the last one they would have to take some action which is inconsistent. We just did not want to create a situation where nobody does anything.

The CHAIRMAN. Exactly. That is OK. Let me get that language—"that assistance furnished by the United Nations would be an adequate substitute"?

Senator CONNALLY. Somebody may haggle over "substitute": "would adequately meet the situation".

Senator LODGE. "Would adequately meet the needs of the situation".

Senator GEORGE. What do you mean by that? What is "the situation"? "\* \* \*" would be an adequate substitute of the aid under the Act". I see no objection to that.

The CHAIRMAN. Say that one again.

Senator GEORGE. "\* \* \*" that the assistance furnished by the United Nations would be an adequate substitute of the aid authorized under this act".

Senator BARKLEY. Do you not want to use "for" instead of "of"?

Senator GEORGE. "\* \* \*" for the aid authorized under this act, or that action taken by the United Nations is incompatible with continued \* \* \*"—I want to say right there, Mr. Secretary, that that brings up another question. I will stand on my own on that—"actions to be taken". I do not want the United Nations to approach this thing as an accomplished fact.

The CHAIRMAN. I agree with you on that.

#### AN ACCOMPLISHED FACT

Senator CONNALLY. We are the ones approaching it as an accomplished fact. We are not going to quit until they have done something.

Senator GEORGE. I said I was going to offer that on my own. I want you gentlemen to go on record. I am going to the Senate floor on that.

The CHAIRMAN. So am I, and I am joining you on that.

Is that satisfactory: "\* \* \*" furnished by the United Nations would be an adequate substitute for the aid authorized under this act"?

Senator WHITE. I have a better one. Simply say that "the assistance furnished by the United Nations would adequately provide the aid \* \* \*".

Senator GEORGE. I would not object to that at all.

The CHAIRMAN. "\* \* \*" would adequately provide the aid authorized by this act".

Senator THOMAS of Utah. I think, Mr. Secretary, you have done away entirely with the concept of "undesirable", the last word in your suggestion yesterday. You pinned this upon definite actions in spirit of substitutes and things of that kind, and you wiped out the unnecessary and the undesirable features which are general but which, at the same time, are extremely strong from the standpoint of what we are trying to do.

The CHAIRMAN. I do not follow that, Senator Thomas.

Senator THOMAS of Utah. I mean simply this, that this provides for a quid pro quo in every action, where that yesterday is based upon the theory that that which we are doing is no longer necessary, and that which we are doing is undesirable, and that is the spirit you wanted to leave. You wanted to leave it to the United Nations to pass judgment, not as to whether we had given them 6 bushels of potatoes which it was provided to give each one and they are going to give 6 bushels of something else. "Incompatible" to me is not as nice a word as either "unnecessary" or "undesirable."

Secretary ACHESON. Both ideas were intended to be in there. Senator. The basic thought on which we are operating was to prevent a gap here in which nobody does anything about it. Now, if the United Na-

tions acts and says what we have done is inconsistent with what they are doing, then we stop what we are doing.

Senator SMITH. And we leave that to them. We do not have any review of that. If they say, "We have done this" we accept that.

Secretary ACHESON. They make a finding that action taken by them is incompatible with what we are doing.

The CHAIRMAN. What is your objection to the language we all agreed on last night? Let us go back to that.

Senator CONNALLY. Let me ask a question first. Under your draft you allow the United Nations just to do something and find that is incompatible, and out we go. You do not require that it be an adequate substitute, except in the first part. In the second part you do not put that condition on it, that they must do something that is comparable with what we are doing.

#### THE CHAIRMAN AGREES WITH SENATOR GEORGE

The CHAIRMAN. Of course that is not my idea at all. I agree with Walter George totally at this point.

Senator CONNALLY. I do not know what Senator George wants at this point. He refuses to tell me what he wants.

Senator GEORGE. It would not do any good. I will tell you later.

Secretary ACHESON. The idea was that we were to leave to the United Nations two principal approaches to this. One is that they wanted to do what we are trying to do, and if so, OK.

The CHAIRMAN. And in their own way.

Senator SMITH. And in their own judgment. We do not review their actions.

Secretary ACHESON. What we have tried to say here is, if they find that what they want to do is an adequate substitute for what we want to do, we quit.

Second, they may not want to do what we are trying to do. They may want to do something different. All right. If they do something different and then tell us that, having done that, it is inconsistent for us to go along, then we quit. That is where the idea of the "undesirable" part comes in.

We do not want to create a situation where they say, "We do not like what you are doing, but we do not know what ought to be done," and nobody does anything and the whole business disintegrates. The security interest of the United States is so great that we ought to require that somebody take hold of this situation and act affirmatively.

#### A NICE GESTURE

Senator CONNALLY. Suppose we pass a nice mouth-filling gesture like we are doing, and that is all they do, and they say it is incompatible. We would have to quit.

Secretary ACHESON. That is inherent in the situation.

The CHAIRMAN. That is inherent in our membership in the United Nations.

Senator SMITH. It is unfortunate.

The CHAIRMAN. I do not think it is unfortunate.

Senator SMITH. If you have a foolish gesture by them it would be unfortunate.

The CHAIRMAN. It would be unfortunate that we have a United Nations under such circumstances, if that is what you mean. If you are going to proceed on premises that the United Nations is going to do things of that sort, I am not much interested in the United Nations.

Senator SMITH. Neither am I. I think you have to assume they are going to do the right thing.

Senator LODGE. Specifically, taking the Greek-Turkish aid literally, there is nothing in the United Nations, is there, that prevents us from going ahead and doing it?

The CHAIRMAN. I do not think so.

Senator CONNALLY. Is there anything in the United Nations that authorizes them to do it?

Senator LODGE. I was wondering—I can perfectly well see the fact that a great many people of this country are saying we are bypassing the United Nations, and I can see there may be some political advantage and advantage from the standpoint of public opinion in recognizing that sentiment, but I am not clear in my mind, and I do not know as much about the United Nations as all of you do. My background on it is nonexistent. I cannot see, by reading the Charter of the United Nations, that we have to refer it to the United Nations at all. I am not talking about public opinion.

The CHAIRMAN. You are, when you take it in the perimeter of the President's message, where he says in words of one syllable at the finish, "If we do not do this thing, we are threatening the peace and security of the world."

#### UNITED NATIONS RESPONSIBILITY

Well, the peace and security of the world are the responsibility of the United Nations. Now, you just cannot get away from that. And we can argue with equal soundness that we had a right to proceed in the way we are doing, in view of the obvious inability of the United Nations to function in some of these situations, but I have the very deep conviction, and I shall have to pursue it, that the thing we thus do on a unilateral basis none the less is involved in an ultimate obligation to the United Nations to see that it is satisfactory to the United Nations. I just do not think you can get away from that, except as you are going to be a pariah in the United Nations.

#### DELAYING THE ACT'S EFFECT 60 DAYS

Senator GEORGE. I agree with that 100 percent. But I go further. And I think the United Nations ought to have a chance to say something about it first. But assuming that I am in the hopeless minority on that point—and I guess I am—just a voice crying out in the wilderness, certainly the United Nations has got a right to come in some time, somewhere.

Now, I would like to make this whole act effective 60 days after the President approves it, in order to give the United Nations a chance to say what they want to do. That is what I would do. But I realize that I am in the minority, and all I can do is just to press my own view if I want to press it, but with the chairman I am 1,000 percent in complete agreement, that we have got to say that they have a right, somewhere, to say that what we are doing here is all right.



Senator LODGE. The United Nations can express itself whether we legislate or not, can it not?

The CHAIRMAN. Certainly.

Senator GEORGE. Certainly it can.

Senator LODGE. And the point you are making is that in the larger sense—and which is really the true sense—this is the business of the United Nations, even though in the literal sense it is not.

The CHAIRMAN. Certainly.

Senator WILEY. It is the hope and objective and prayer of all mankind.

Senator GEORGE. We are acting on the assumption that they are not ready and not equipped and have not got the capacity to do it, that is all. Otherwise we should take it to them, unless we want to junk it. If we want to junk the United Nations, this is an effective way of doing it.

Senator SMITH. I would like to say that I am in accord with what Senator George says about the 60-day period, unless the Secretary of State tells us that waiting for 60 days might bring chaos and disaster in that period.

Senator GEORGE. I do not want to get into that, Senator, now. I am afraid the Secretary will tell us that.

Senator SMITH. I do not want to leave you out on a limb without any support. I think your principle is definitely sound.

Senator GEORGE. I know my principle is sound. I am not going to abandon it so far as that is concerned. Whatever the committee does, I am going to stick to that viewpoint. I think I know what the Secretary will say about it, and probably with much more reason than I am saying to the contrary, but then that is all right.

The CHAIRMAN. I think the language we all tentatively agreed upon last night ought to be the basis of our action. I would change just one thing in the language. I would substitute "the exercise of any veto" for "the right of any veto." I would not waive a right; I would waive the exercise.

Senator GEORGE. That is all right. That is perfectly all right. That is what you meant anyway, I think.

Senator SMITH. How would that be worded?

The CHAIRMAN. "\*\*\* (with respect to which the United States waives the exercise of any veto) \*\*\*"

#### THE GENERAL ASSEMBLY

Senator CONNALLY. What about this "or by the General Assembly," when we all admit the General Assembly cannot do anything but make a recommendation.

Senator THOMAS of Utah. That is not in Senator Vandenberg's—  
Senator CONNALLY. It is in the Secretary's proposed act.

I suppose I am a little further out in the wilderness than Senator George.

Senator GEORGE. No, you are not. I am completely in the wilderness.

#### A FLAG WAVING RESOLUTION

Senator CONNALLY. My view is that none of us believes UNO is going to do anything unless it passes a sort of flag waving resolution about something. I do not mean that offensively.

Senator GEORGE. I do not think this is a flag waving resolution at all. The CHAIRMAN. I do not either.

Senator CONNALLY. I do not think anybody expects UNO to take over the relief to Greece in the amount of \$300 million and \$100 million to Turkey. If it should, and some other nation should come to the U.N. and say, "We want relief," they will say, "We are not in the relief business. The Charter does not give us power to loan money to everybody on earth." I do not think they are.

My thought is, I am perfectly willing for them to take it over, but I want them to take it over. I do not want them to mouth around and do nothing, and push us out. If they say that are going to do it, fine.

Senator BARKLEY. Senator, it seems to me that it is not sufficient for them to say that they are going to do it. They have to take some action to do it. I do not want us to get out if we get out just on the promise of the United Nations that they are going to do this. They have to take effective action, it seems to me.

The CHAIRMAN. They are the judges of whether their action is effective.

Senator BARKLEY. I do not think they are going to do it. I do not see that they have the power to make loans. They are not a loaning agency. We have set up other loaning agencies to do that, whatever a nation can qualify.

The CHAIRMAN. If you will permit me, Senator, I do not think that phase of the question is involved. I think that is clear. I think when you go into military collaboration with two other nations, that is something else.

Senator BARKLEY. It is under discussion, and so long as anything is under discussion it is involved.

I think we might write off the possibility that the United Nations is going to make any monetary advance to Greece or Turkey.

The CHAIRMAN. I agree.

#### U.N. NOT A MONEY LENDING AGENCY

Senator BARKLEY. So that what they do, if they do anything, in pursuance of this amendment, will have to be in some other field besides the lending of money, and they do have authority to do things in that field. But we can not anticipate, it seems to me, that they are at any time during the life of this resolution—15 months or 2 years or 3 years, within the foreseeable future—going to be in any position to be a money lending agency to any country, and I doubt if it ought to become such.

The CHAIRMAN. It is not intended to be.

Senator BARKLEY. So that part, it seems to me, is out. So that whatever they do to cause us to withdraw ought to be something that they are doing, and not just a resolution that they are going to do something indefinite and therefore we ought to get out. They ought to take definite effective action that would justify us in relinquishing our efforts.

#### THEORY OF MILITARY AID

The CHAIRMAN. Let me give you an example, Senator. When we go into Greece we are going in with military aid on the theory that Greece has got to establish lawful peace throughout Greece in order

to have economic aid worth giving to them. So the problem of lawful peace is involved. Lawful peace is threatened chiefly on the northern border at the moment. At the present time the United Nations has an official commission dealing with that specific phase of the matter, which in a military sense is the most hazardous phase of the matter.

We are taking this action before the United Nations has had an opportunity either to receive the report of its own commission in a field where it has already taken jurisdiction; we are taking our action before they have had an opportunity to say whether they want to take over and how they want to take over the border responsibility.

If, 60 days from today, their Border Commission has reported that the boundary area of northern Greece is in a situation where peace and security are being threatened from the outside and they establish a Border Commission to take control of the border situation and undertake to apply their own peaceful sanctions long before you get into chapter 7, if they undertake to make the United Nations responsible for that factor, certainly when they notify us of that fact we immediately cease to have any jurisdiction over that phase of the problem, or else we do not belong in the United Nations, one or the other.

Secretary ACHESON. Senator, we are not getting into that phase of the matter. There is nothing in this bill that gets into that phase of it.

The CHAIRMAN. I think it gets into that phase of the matter inevitably, because you are helping the Greeks to establish an armed resistance to whatever forces are threatening the stability and tranquility of Greece.

#### U.N.'S FUNCTION ON THE BORDER

Secretary ACHESON. Certainly, but that does not have anything to do with taking over the United Nations' function on the border.

The CHAIRMAN. It has nothing to do with taking their function over, but it has something to do with their taking the function of border responsibility over.

Secretary ACHESON. I do not see that they operate in the same field at all. Mr. Chairman.

The CHAIRMAN. I am sorry. I do.

Senator BARKLEY. This resolution has been double barreled. It dealt with one function that is clearly within the jurisdiction of the United Nations. That is the question of doing something about protecting Greece from aggression from the outside, whether you call it border disorder or whether you call it the march of an army across the border into Greece and Athens, or whether it is a sort of subterranean infiltration of semimilitary activities that annoy and bedevil and harass the Greek people. That is undoubtedly within the jurisdiction of the United Nations, and to that extent we do infringe or impinge upon the jurisdiction in that respect. But I have not seen how we could avoid it, in view of the need for this assistance.

The CHAIRMAN. At the moment.

Senator BARKLEY. At the time; at the moment. I think we have got to go forward on that theory, that it is double barreled, but that we may take the shell out of one barrel, at least, if and when the United Nations so advise us.

The CHAIRMAN. I agree with that analysis completely.

Senator GEORGE. If everybody has a right to judge whether or not the United Nations is capable of meeting a situation at the moment, is not everybody else entitled to the same judgment? And where is the United Nations?

Senator BARKLEY. It seems we are attempting to leave it to the United Nations to determine whether, in their judgment—

Senator GEORGE. No. We are begrudgingly saying, after the thing is operating, "If you want to come in here and oust us, OK."

#### U.S. MAY ENDANGER WORLD PEACE

The CHAIRMAN. Let me read one sentence from the President's message: "If we falter in our leadership, what happens? We may endanger the peace of the world."

Now, that is what this bill is about. And if the peace of the world is not in the jurisdiction of the United Nations fundamentally, and if our obligations to the United Nations do not cover the peace of the world, I do not know what the hell they do cover, and I do not know why there should be a United Nations nor why we should be in it.

#### SITUATION LIKENED TO THE "CORFU AFFAIR"

Senator THOMAS of Utah. I think, Senator Vandenberg, if you add the testimony of General Lincoln, in the spirit of that testimony you have the answer. I do not think we get anywhere in generalities. I think what is in the mind of nearly everyone is that we are going to have an incident which may be very much like the Corfu affair after the last war, where Italy started acting entirely on her own, after there was a League of Nations committee working.

Assume, for instance, that one of our people was murdered going over there and we started reprisals of some kind. We have a situation on our hands which, if we decide to settle it ourselves, we are skirting quite as well as Italy skirted the League of Nations last time, and the reference of the matter to the Council of Ambassadors, showing that they would not trust the League of Nations and the rest of it—the definite bypassing—was the first attack of a major power upon the authority of the League of Nations. Italy won her point to such an extent that—of course I am talking about something 20 years ago—you would have to write it down that in case the League of Nations wanted to curb one of the major powers, it just could not do it. And that sort of thing, it seems to me, we ought to avoid right up to the limit, and I think that this pronouncement ought to go out in such a way that we have not lost faith in that which we have helped to set up, and tell the world that we have not, and that we are going to stand by what we are going to do, not with the spirit that was displayed by Mussolini.

Of course, Mussolini was only a year old in his power, hardly that, I think. But there was a contest: "Who is going to run this world? Am I, who have just taken hold of things, or is the League of Nations going to run it on their own?"

You can argue that in international law, on the basis of reprisal, what Mussolini was doing was all right. But at the same time it wrecked a new type of machinery.



## ACHESON'S COMMENT SOUGHT

Senator LODGE. Mr. Secretary, you said at the beginning of the session this morning that you were not going to comment on the proposition of putting this action of ours, subject to the decision of the United Nations, that you were simply going to confine yourself to the language. I wish you would comment on that.

Secretary ACHESON. Well, I thought I could be more helpful to the committee by going forward with the committee's decisions, even though they are tentative, and not arguing about them.

Senator LODGE. I would like to know whether you think that this broad principle, which it seems to me is a new principle because we project ourselves into unknown conditions in the future—we were saying yesterday that when England and France abstained from using their veto in connection with Lebanon and Syria they had a question immediately before them and they knew the circumstances. Now, we are projecting ourselves into the future, and this is a new principle, so far as I can make out, and I wanted to know what you thought about doing it that way.

## U.N. AMENDMENT UNNECESSARY

Secretary ACHESON. I thought the general view, that if the United Nations wished to take this matter up it of course could do so anyway, without domestic legislation by the United States, and whatever recommendation the Security Council made, based on the fact that the peace of the world might be endangered, we are obligated under the charter to carry out, so that we do not need any legislation to do that.

So far as recommendations of the General Assembly are concerned, those would be treated with the greatest possible respect, and the charter does not say that you have to accept them, but it is assumed that if they are what they are supposed to be, they will be accepted. So it seemed to me that the actual provisions of the charter were adequate to deal with this.

Senator LODGE. So this is unnecessary?

Secretary ACHESON. That was my view, but the committee has another view, and I did not want to argue with them about it.

## WESTERN DEMOCRACY AND EASTERN COMMUNISM

The CHAIRMAN. I would like to say one thing more about it, and you can all vote as you please.

We are joining issue with the Soviet Union in this legislation on a question of fundamental relationships between Western democracy and Eastern communism, and you cannot get away from it, because, it is stated categorically time and again in the President's message. In the United Nations we find ourselves, and all the other Western democracies find themselves, in constant collision with the use of a veto by Russia when we were assured by Mr. Stalin through Harry Hopkins when the thing was written that the veto would only be sparingly used. In other words, when the veto was written it was recognized that every one of the great powers retained to itself not only a privilege, but a responsibility not to use the veto, except in extraordinary cases. There-

fore, there is nothing out of line, either with the theory of the veto—there is something directly and specifically illuminating in the present collision as represented by this bill between the Soviet Union and the rest of us, when we say that this is a problem where we intend to take the advice that we gave Mr. Stalin; namely, that this is a situation in which we do not intend to count vetoes.

Now, I think it is consistent with everything in charter history. I think it is completely consistent with the theory of this bill if you are trying to dramatize the issue between the Soviet Union and the United States, and I think you have answered the heart hopes of millions of your own people who are very, very reluctant to go even one step in this direction, and I think it would be quite fatal not to do it.

Excuse me, but I feel very deeply on the subject.

#### QUESTION ABOUT LANGUAGE

Senator SMITH. Mr. Chairman, I would like to raise a question how the proposal that we have been discussing improves on what we had last night, and the language there.

The CHAIRMAN. I do not think it does, and I am back to the language we had last night.

I would like to change the language of last night only in this respect. In the parentheses, make it read “(with respect to which the United States, in this instance, waives the exercise of any veto).”

Senator SMITH. “\* \* \* with respect to which” would cover “in this instance.”

The CHAIRMAN. I guess it does.

Senator SMITH. When you say “the exercise of any veto,” would it cover this case? Let us say we do not veto, but Britain does.

The CHAIRMAN. Yes, it covers that. We are simply going to look upon this question, so far as we are concerned—we cannot bind anybody else. We are going to look upon this as a procedural vote which is taken in the Security Council.

Senator SMITH. I agree with you. It is conceivable that England might veto it, and we might try to slide out from under by saying that she is not affected.

Senator CONNALLY. You are changing that to “waives the exercise of any veto”?

Senator BARKLEY. I am not sure about that “with respect to which the United States, in this instance, waives the exercise of its right of veto.”

The CHAIRMAN. I want to waive more than that, Senator. I do not want to face a situation, say, where Great Britain votes “No” and we have to consider that as a veto. It is clearly established in the procedure of the Security Council that there are two types of votes. The procedural vote is one in which you have to have a majority of seven, including the votes of the permanent members.

Senator CONNALLY. No, not including.

The CHAIRMAN. Excuse me. A procedural vote is seven straight votes in the Security Council. On the other hand, if it is anything except a procedural vote, you require not only the votes of all permanent members, but that means that if any one permanent member votes “No” the whole show is over.

I want to say that we look upon this as a procedural matter, and that is what we are constantly saying to Russia. That is what the issue is today over the veto.

Senator BARKLEY. Of course, you must not lose sight of the fact that we can move out any day we want to, regardless of England or Russia or anybody else, without any action on the part of the United Nations, so that no matter whether England casts a negative vote or not—and it is inconceivable that she would after asking us to go in—after the United Nations has said to us that they can take over. But even if England voted “No,” or two or three other nations voted “No” on the thing, which otherwise would be regarded as a veto, we can still move out.

The CHAIRMAN. And that is all I am trying to say.

Senator SMITH. Well, if they take that action—

Senator CONNALLY. We cannot decide the procedural matter. That is up to the Security Council.

Senator BARKLEY. I do not believe we can write out a rule as to what is procedural. That is in the Charter.

The CHAIRMAN. All we are doing in this language is to do exactly what we are demanding day after day that Russia shall do.

#### IDEA OF A VACUUM

Secretary ACHESON. May I point out one difference? If you adopt the view that you have just taken, that the procedural vote will take us out, it, of course, does not follow that the procedural vote takes the United Nations in, so that you have a vacuum.

The CHAIRMAN. I agree with that.

Secretary ACHESON. If the committee wishes to accept the idea of a vacuum, then it seems to me that the resolution as originally proposed is better than this language.

The CHAIRMAN. Let me interrupt you. You say, “If we wish to accept the idea of a vacuum.” I am saying that if we accept this idea of a vacuum, we write the United Nations down to such a point of insane incompetence that we ought not have anything to do with it. If we cannot have that much confidence in this institution, we had better get out of it. That is my feeling about the vacuum.

Senator SMITH. I think what the Secretary means, probably, is that if you have an action taken and there is a veto, it is not an official action, and we are simply acting on an expression of view covered by an unofficial action—a vacuum in that sense.

Secretary ACHESON. I am not arguing with the committee.

Senator CONNALLY. Argue with us, if you want to, if you feel like it.

Secretary ACHESON. You may get a procedural vote which takes the United States out, but if you then propose a motion to do something, that can be vetoed by the Russians, and you will do nothing. That is where you are left, and you cannot avoid that.

Senator CONNALLY. Is that what you mean by the vacuum?

The CHAIRMAN. That is right; and I can present 50 hypotheses under which the United States becomes a hissing and a byword, but we have not joined the United Nations on that theory.

## A CHANGE OF LANGUAGE SUGGESTED

Secretary ACHESON. If that is the way the committee wishes to proceed, then I would suggest that you reconsider your original amendment, because there is some very puzzling language in the wording that you got out last night, because that looks as though the United States was to abstain from any voting on measures which deal with this situation in any way, and I do not think the committee means to do that. That is what this would mean.

The CHAIRMAN. I do not understand that. How do you get that: “\* \* \* with respect to which the United States waives the exercise of any veto”?

Senator SMITH. That does not mean we cannot vote.

Secretary ACHESON. Suppose the commission reports, as it seems likely that it will, that there has been some assistance from outside the borders of Greece. That is the report. The thing comes on to be discussed in the Security Council, and the Russians propose a motion saying that they want to whitewash the Yugoslavs or Albanians: “We do not think this report is right; we take it off the agenda. We think here is nothing there.”

It looks as though we could not take part in that debate or vote on it.

The CHAIRMAN. I do not see why. Where do you get that from? We did everything except call our negative vote a veto.

Secretary ACHESON. In case of such an action, would the United Nations officially inform the President that action taken made it unnecessary? I was trying in my amendment to get some specific act of the United Nations so that United States could be notified.

Senator CONNALLY. Mr. Secretary, I do not like your second thing. I am in sympathy with your general view, but the first part of your proposal requires action, and then your second part sort of waters it down, it seems to me.

Secretary ACHESON. The second part also requires action, but it might be a different kind of action from the action that we thought was desirable. The chairman points out that the United Nations has a right to differ with us.

Senator CONNALLY. Suppose the United Nations should confine itself to the border matter, and say, “We have taken action there under your second paragraph.” Would we have to get out?

Secretary ACHESON. I would not be sure, under the wording of last night.

## SECRETARY ACHESON'S DRAFT

Senator CONNALLY. I am talking about under your draft, that you submitted. Would we not have to get out if she took action on the border matter?

Secretary ACHESON. Only if the General Assembly found that, having done that, it was inconsistent for us to go forward. If we do that, it is tantamount to their taking action requesting us to stop.

The CHAIRMAN. Not stopping everything, but just that portion of it.

Secretary ACHESON. Under my original suggestion I think you get a specific motion which asks us to stop all or part.

Under this one you are never sure where you are.



Senator CONNALLY. I am talking about the language to which you tentatively agreed last night. The first amendment left it up to UNO to tell us to get out, without doing anything. That was the vice in that.

Senator THOMAS of Utah. I liked the one you suggested yesterday.

Secretary ACHESON. That was objected to, because that left it to the President.

Senator THOMAS of Utah. Yes, but we can change a word and put the act on the part of the United Nations instead of on the President. But the rest of it is very, very clear to me.

The CHAIRMAN. But it does not cover the veto.

Senator THOMAS of Utah. We have to put the parentheses in there. Senator Vandenberg.

The CHAIRMAN. Read that, and let us see what you are talking about. Refresh our recollection on that. How would it read?

Senator THOMAS of Utah. "If the President is informed that action taken (with respect to which the United States waives the exercise of veto) or assistance furnished by the United Nations or any intergovernmental organization makes continuance of such aid unnecessary and undesirable."

The CHAIRMAN. That is perfectly satisfactory to me. Is that not all right?

Senator SMITH. Do you say "When the President is informed \* \* \*?"

Senator THOMAS of Utah. That was my first suggestion, and then they changed it to "officially notified by the United Nations."

Senator GEORGE. That is very much what the Secretary first suggested to us.

Senator THOMAS of Utah. Oh yes, it is. It is built right upon Secretary Acheson's suggestion, with the parenthetical expression about the veto put in, and it leaves it all in general terms, without making it specific about what the United Nations has got to do, because I think you are just building up for ourselves a lot of arguments that they just did not do this and just did not do that, and that is not what we want, is it?

The CHAIRMAN. No; and, as I listened to you, it seemed to me it was satisfactory from my point of view. "If the President is officially notified by the United Nations \* \* \*"

Senator THOMAS of Utah. "\* \* \* that action taken or assistance furnished by the United Nations or any intergovernmental organization makes the continuance of such aid unnecessary and undesirable."

Senator SMITH. I thought we said last night that the intergovernmental organization would go down below.

Senator THOMAS of Utah. If there is world action against what you are doing, we ought to be on the alert.

Secretary ACHESON. On that, should we leave in, if you like the idea, the idea of the finding—"If the Security Council finds, with respect to which we waive the veto, or the General Assembly finds, that action taken or assistance furnished by the United Nations or any intergovernmental agency makes the continuance of such aid unnecessary and undesirable."

Senator CONNALLY. How is that, now?

Secretary ACHESON. I do not think you need the "officially notified" part of it, do you?

The CHAIRMAN. What do you say?

Secretary ACHESON. The main part of it is, "If the Security Council finds (with respect to which finding the United States waives the exercise of a veto) or if the General Assembly finds, that action taken or assistance furnished by the United Nations, or any intergovernmental organization, makes the continuance of such aid unnecessary or undesirable."

Senator BARKLEY. Do you go on the theory that the President would take official notice?

Secretary ACHESON. We can work that out.

Senator GEORGE. You can say, "If the United Nations finds, and so notifies the President \* \* \*". That would be easy, that part of it.

The CHAIRMAN. Let us see if we can not agree on that.

Senator SMITH. I do not have objection, but I do not quite see how it strengthens it.

The CHAIRMAN. It gets away from one or two difficulties.

#### ACQUIESCENCE OF THE STATE DEPARTMENT

Senator CONNALLY. Would that meet, not the wishes, but the acquiescence, of the State Department, your suggestion there?

Secretary ACHESON. Yes, sir.

The CHAIRMAN. Please check me, Mr. Secretary, as we go through: "If the President is notified by the United Nations that action taken \* \* \*"—you dictate it the way you said it.

Secretary ACHESON. "If the President is officially notified by the United Nations that the Security Council finds (with respect to which finding the U.S. waives its right to exercise a veto), or that the General Assembly finds, that action taken or assistance furnished by the United Nations, or any intergovernmental organization, makes the continuance of such aid unnecessary or undesirable."

Senator GEORGE. Now, Mr. Secretary, would that mean action taken or to be taken? Suppose they just then contemplated taking action. Would that include that?

Secretary ACHESON. I think it would contemplate action which had been taken by the United Nations, even though it had not been carried out. I do not think it would cover some mere thought which had not been put into form.

Senator GEORGE. I do not mean that. I mean some definite plan which they proposed to take.

Secretary ACHESON. I think if they had formulated it and voted it, it would cover that.

Senator GEORGE. Although it had not been actually carried out.

Senator CONNALLY. The adoption of it or vote on it would be action.

Secretary ACHESON. That would be action, even though the plan itself had not been put into execution.

The CHAIRMAN. That is the point.

When we get that back perhaps we can agree on that.

#### TIME LIMIT OF THE BILL

Senator LODGE. May I ask you one question, Mr. Chairman, while he is typing that? As I understand it, the funds being requested for this bill will carry it to June 30, 1948, but the bill itself has no time limit on it at all. At least if it has I cannot find it. Is there any objec-

tion, or could there conceivably be any objection, to having this provision in a bill that is going to last forever?

Senator CONNALLY. The appropriations do not last forever. They cut them off.

Senator LODGE. That is very true. But do you think we ought to put a termination date in this bill?

Senator CONNALLY. Let me ask you, Senator: Suppose that June 30, 1948, should arrive, and yet we felt that they needed just a little more coddling along. Then we would have to go through all this again.

Senator LODGE. I am not arguing about the thing.

Senator CONNALLY. I am just suggesting that to you.

Senator LODGE. Maybe that is the answer. I am not very good at this crystal-ball gazing, and if you all think it is all right to leave this thing hanging indefinitely, I am not going to do anything about it, because I do not know anything about it.

Senator CONNALLY. It is not hanging indefinitely, because we can refuse any additional appropriation any time.

Senator LODGE. If none of you think there is any danger of having this provision hanging over us, it is OK with me.

#### PRESIDENT'S POWER TO DISCONTINUE

Senator CONNALLY. Another thing, the President has the power in the bill to discontinue the whole works without giving any reason for it at all.

Senator GEORGE. Where does that come in? It says if he finds it can't come out and he can't accomplish anything about it, he will come in here and ask us to repeal it.

So long as this thing stays here on the books, Senator Lodge, the Appropriations Committee is going to make an appropriation. You need not worry about that.

Senator LODGE. This provision with regard to the United Nations will remain in force?

Senator GEORGE. And the Appropriations Committee will appropriate.

Senator LODGE. I have great confidence in the chairman, and I am going to vote with him on this thing, but I have a lot of misgivings about trying to look this far into the future.

Senator SMITH. What was your thought?

Senator LODGE. I was just wondering why we could not put a sentence in this bill saying it will expire June 30, 1948.

Senator BARKLEY. Suppose that there is some delay in getting the appropriation. There will be some days' or maybe weeks' delay in getting the appropriation for which this is an authority. I hope there will not be, because if it is going to be of any value it seems to me we have to get right into it. But if you fix a time limit that might cut short the 15 months that we have all had in mind. It might cut our heads off just as we were really going on the whole program.

#### TIME LIMIT ON APPROPRIATION

The appropriation itself will put a time limit. Whenever that is exhausted, it will have to be approved.

Senator LODGE. You are not at all concerned by having this language here regarding the United Nations in existence for an indefinite period of time? That does not bother you?

Senator SMITH. You could add to (3), "If the President finds that the purposes and accomplishments" you can withdraw, or you can say "the aid shall terminate."

UNITED STATES WAIVES VETO RIGHT

The CHAIRMAN. Looking at that language, I think we are getting down to it. We have taken care of the other intergovernmental organizations elsewhere, so I suggest you take that out—"or any intergovernmental organizations." Let us simplify this as much as possible. After the word "finds" we are putting "(with respect to which finding the United States waives the right to exercise its veto)." Do you object to saying "the United States waives the exercise of any veto"?

Secretary ACHESON. No, sir; that is all right.

The CHAIRMAN. I very much prefer that.

Senator CONNALLY. Why say "any"? We cannot waive the British veto.

The CHAIRMAN. We can waive our right to consider this anything but a procedural vote. That is what I am trying to do.

Senator CONNALLY. I do not agree with you, but, then, all right.

The CHAIRMAN. All right; "waive the exercise of the veto".

Senator WHITE. "Its".

The CHAIRMAN. Not "its"—"everybody's".

Senator GEORGE. You are still leaving in there "The President is directed \* \* \*" and so forth?

The CHAIRMAN. That is right. Now let us read it just the way it will be:

The President is directed to withdraw any or all aid authorized herein under any of the following circumstances:

1. If requested by any Government of Greece or Turkey representing a majority of the people of either such nation.

INCLUDING THE WORD "RESPECTIVELY"

Senator CONNALLY. Do you not think that ought to include the word "respectively"? You do not want to have Turkey veto Greece, and you do not want Greece to veto Turkey. That means, if either one of them did it you would have to withdraw it all.

The CHAIRMAN. Does "respectively" cover your point?

Senator CONNALLY. I think it would.

Secretary ACHESON. I should think it would.

The CHAIRMAN. All right, "respectively". Senator White had a suggestion. We might as well linger there for a moment.

Senator WHITE. Right after the word "represented" in the second line. I would suggest that you insert the words "in the President's \* \* \*". I think you have to have a finding by authority before the authority proposed actually comes into being, that a majority of the Governments of Greece or Turkey is speaking.

The CHAIRMAN. You mean you are going to let the President say "That wasn't a good election; I am not going to accept their judgment"?



Senator WHITE. I think somebody has to determine it.

Senator CONNALLY. Is that not more or less implied, that the President will be the one to decide that?

The CHAIRMAN. Now let me start over again:

The President is directed to withdraw any or all aid authorized herein under any of the following circumstances:

1. If requested by the governments of Greece or Turkey, respectively, representing a majority of the people of either such nation.

2. If the President is officially notified by the United Nations that the Security Council finds (with respect to which finding the United States waives the exercise of the veto) or that the General Assembly finds that action taken or assistance furnished by the United Nations makes the continuance of such assistance unnecessary or undesirable.

3. If the President finds that any purposes of the Act have been substantially accomplished by the action of any other intergovernmental organizations or finds that the purposes of the Act are incapable of accomplishment.

That is satisfactory to me.

Senator THOMAS of Utah. I second the motion.

Senator LODGE. Is it customary to "direct" the President? We direct Members of the Cabinet.

Senator THOMAS of Utah. Yes, sir.

Senator GEORGE. That is satisfactory to me, Mr. Chairman. It takes care of the future.

Senator SMITH. Taking your introductory clause, "The President is directed to withdraw any or all aid authorized herein", and then I suggest Senator Lodge's proposal, "and this act shall thereupon terminate, under any of the following circumstances":

If we withdraw the aid, do we not want to ring down the curtain on the whole thing, and not have a continuing obligation there?

The CHAIRMAN. I do not think you have a continuing obligation.

Senator GEORGE. Senator Lodge's point was more than that. He simply wanted a termination date on this broad power.

Senator SMITH. That is what I am getting at, whether we ought to put it in or not.

Senator GEORGE. If you are going to do it, it ought to be put in the act.

Senator THOMAS of Utah. Do you not think the termination is controlled by the appropriation itself?

Senator GEORGE. No, sir; there is no stopping it.

Senator THOMAS of Utah. There is no recurring appropriation here. Do you think the spirit remains on the statute books as long as the statute remains?

Senator GEORGE. Yes, sir. The Appropriations Committee will keep on appropriating. This will be 20 years; it will not be 1 year.

Senator THOMAS of Utah. If that is the case, I agree with both Senator George and Senator Lodge. The way I read it here, it is that a sum will not exceed. Your thought is that the President will send down another message and then ask that this will be renewed?

#### TERMINATION DATE NOT PROPOSAL

Senator GEORGE. Yes, and the money is out, and of course we would make the appropriations, Senator Thomas, but it is not practical to put any termination date on it, because this thing is a long-term pro-

gram. We can not get in and out. We will be there, and we will be there after I am gone, so I do not reckon I should worry about that.

The CHAIRMAN. Are you ready to vote on the proposal?

Senator GEORGE. I am.

The CHAIRMAN. Those in favor will say "Aye." Those opposed, "No." That is adopted. That is done!

Senator CONNALLY. How about it, Mr. Secretary? Will that substantially meet your views?

Secretary ACHESON. Yes, sir.

#### SENATOR LODGE'S AMENDMENT

The CHAIRMAN. Now I think we can make pretty rapid progress. Let us take up next Senator Lodge's amendment, which we brought over from yesterday.

Senator LODGE. Mr. Chairman, I would like to just read this amendment again and make a brief statement regarding it. This is to go on page 5, between lines 8 and 9, and I will read it:

No assistance shall be furnished under this Act which shall have the object (a) of promoting the continuance or expansion of any totalitarian purpose or goal, whether communistic or fascistic; or (b) of rejecting the proposition that individuals have inalienable rights and must be both free and the masters of their government.

#### THREEFOLD PURPOSE

The purpose of this amendment is threefold. It is to make it clear to a great many people of this country who are very much concerned about it that the aid which the U.S. provides will not be used to promote ideologies which are hateful to us. It shows that we are against having this aid to promote either communism or facism, and it attempts to state the positive fact that we believe that American democracy is an export doctrine; that the Christian concept of the dignity of man is a revolutionary and most attractive dogma, and could be a strong revolutionary force; and that there is some idealism in this bill, and that we owe it to ourselves and to the world to say so.

I have looked on this thing hard, and I am confident that it is drafted in such a way that it cannot possibly hamper the administration of the act. If you were to forbid any funds being used which might promote the totalitarianism, that, of course, would have a very hampering effect, but this says, "which shall have the object." It is not conceivable that any chief of a mission under this bill will do anything which will have the object of promoting totalitarianism.

#### OBJECTIONS TO THE AMENDMENT

Senator SMITH. Would you not rather have it in the bill as a statement of policy? I think a legal question can be raised, if money was being spent. "Is that being spent for one of these purposes?" Who will determine that question? Is that a legal question for our courts to determine, if some taxpayer challenges the use of the money?

Senator LODGE. If I had put it in the preamble it would have required stating all of the purposes of the bill, and I did not think that I could do that, and I did not think it would be desirable to do it.

Senator GEORGE. Cabot, I have complete sympathy with the principle you have enunciated, but would we not be faced right at first with the proposition that men differ about things, and here is a Greek Government which is a fascist government, it is a sort of a monarchy, a constitutional monarchy, and they have already raised a question that nobody ever voted to restore a monarchy in Greece, they just voted for George or against George. Would we not be faced with that sort of question? And if we have any money over there, and a mission over there to handle it, I am afraid that they would have very great difficulty with some people here at home and all around. I am not quarreling with the objective. It is all right. Nor am I quarreling with your broad general statement.

Senator SMITH. We all agree with that.

Senator LODGE. I think this is worded so it will not have that effect, because I say "will have the object."

Senator CONNALLY. May I intervene, and let you answer it in connection with what Senator George said? It seems to me that the danger in your amendment is that we would be projecting into this domestic contest in Greece pretty vitally. Each crowd would be coming to us and saying, "Here, you are using this for totalitarianism," and the other crowd would say; "You are using it for totalitarian communism," and all that, and it seems to me it would present a good many difficulties to a proper administration of this act.

Senator LODGE. I do not want to do that.

Senator CONNALLY. You will get right in the middle of a political contest in Greece.

#### DEFENSE OF THE AMENDMENT

Senator LODGE. I do not want to do that, and I think if this said "No assistance shall be furnished which shall have the effect" of doing these things it would result in hampering the act. This says, "Nothing shall be done with that object." Certainly no chief of any mission is going to have the object of promoting totalitarianism.

The CHAIRMAN. No; but he would be charged with it.

Senator BARKLEY. Suppose somebody comes along and says, "It is all right. You have not the object of doing this, but the effect of it is doing it anyhow, regardless of your object."

Senator LODGE. That would not make any difference.

Senator CONNALLY. It is not presumed that the President will go in there with the idea of promoting either one of these groups, is it?

Senator LODGE. I do not think he is, and I think this will be very reassuring to a great many people of this country who were distressed because American funds were used to aid communism in Yugoslavia.

#### PUTTING THE LANGUAGE IN A REPORT

Senator HATCH. I am in sympathy with what you are trying to get at, the ideal presented and how it could be done, and this thought just occurred to me, that in making our report you might write a paragraph in the report of the committee that would cover your thought, and make it really the official action of the committee, without putting it in the bill. I just toss that in for what it is worth.

The CHAIRMAN. I think that is a good idea.



Senator LODGE. I do not think that will have the same reassuring effect on a great many people who are very much puzzled by the apparent opposition to communism in this area and the apparent support of communism in other areas, who see machine tools and generators and other things going to Russia; and so on. I know I have made some speeches about this bill since it was introduced, and whenever you say that this money should not be used to promote ideologies that are hateful to us, the people applaud. They do not want to have that happen.

Senator GEORGE. They do not, Senator.

Senator LODGE. And there are just as many people who feel this way as are concerned about the bypassing of the United Nations.

#### SUPPORT FOR WHATEVER GOVERNMENT EXISTS

Senator GEORGE. Have you not got to support whatever governments there are in Greece and in Turkey?

Senator LODGE. You have to work through them, yes.

Senator GEORGE. We cannot go in there and upset them and set up another government. If we do that we are engaging in the exercise of a thing that we have always said we would not do, interfering directly with the internal affairs of another country. So we have just got these governments there. I do not know what sort of thing they have in Greece nor what they have in Turkey. I probably would not like to live under either one of them altogether. But they are there, and I do not think we can draw the line there. If we are going to give assistance to Greece and Turkey, visualizing them as peoples, we have to recognize whatever kind of authority they have functioning there, and more or less operate through it and in conjunction with it. We would not have the objective, of course, of setting up any communistic state. I do not know that we would. What is that Biblical quotation?

Go ye into all the world and preach the gospel to all nations—beginning first in Jerusalem.

If I am going to pursue the Communists all over Greece and Turkey, I want to get after them here, too.

Senator LODGE. We have to work through the governments, of course.

Senator GEORGE. I am afraid that would lead us into trouble, that is all. It is certainly not objectionable to us.

Senator WILEY. What has the Secretary to say?

Senator LODGE. He offers no objection.

Senator GEORGE. If the Secretary wants it—

Senator LODGE. No; he is not *particeps criminis* at all.

#### DIFFICULTY OF SATISFYING EVERYBODY

Senator BARKLEY. Frankly, I agree with Cabot's idea. I think it probably might well be put in the report rather than in the bill. I think it is going to be difficult to put language in this bill that is going to satisfy everybody in the United States.

Senator LODGE. We put in some language this morning to satisfy a lot of people.



Senator GEORGE. Senator Lodge, right in the beginning of the bill, is there not a statement there?

Senator THOMAS of Utah. You could put some words that mean this in the "Whereas" at the top of page 2.

Senator LODGE. I have no objection to doing that.

Senator CONNALLY. My objection is that by your amendment you are disclaiming the object, and yet you have an object. You have an object of going in there and passing up these divergent groups, and so forth and so on, and I think it will get us into a lot of trouble, because we are not granting this aid for political purposes, rehabilitating Greece politically. We are trying to rehabilitate her economically and make her able to go on with her program. As so wisely suggested by Senator George, we have to accept the realities and whatever government is in control we have to at least operate through until it is thrown out by the Greek people.

#### AID FOR ANYWHERE IN THE WORLD

Senator SMITH. After World War I, I was connected with Hoover's relief organization that went into the famine situation in Russia, and we certainly worked with the Russian Government there, and we could have been charged with having aided a communistic government. I do not think we should be precluded from giving aid anywhere in the world, and we might be establishing that precedent in this title here.

Senator THOMAS of Utah. Why do you not add it on to "Promote international well-being"?

Senator LODGE. Supposing you offered it in the preamble, and said:

Whereas it must not be the object of the United States to promote the continuance or expansion of any totalitarian purpose or goal, or to reject the proposition that individuals have inalienable rights \* \* \*

It is not the object and it is not the policy—

Whereas, it is not the object of the United States to promote the continuance of expansion \* \* \*

#### CRITICISM OF GREEK GOVERNMENT

Senator CONNALLY. You are assuming, with "in the continuance of" that there is existing now something that we do not want to aid in the continuance of. These critics will say, "That is the Greek Government. We do not want to aid in continuing the present Greek Government."

Senator BARKLEY. That is the danger here about that in our own country. There is quite a body of people in our own country who feel that the existence of the Greek monarchy itself is totalitarian and fascist. Magazines like the New Republic and The Nation constantly harp on the fact that it was not a fair election over there, and old George was imposed on the Greek people by Great Britain and it is a fascist government, and you are liable to get into an argument in this country as to whether the very fact that we are aiding the existing Greek Government is in aid of a totalitarian system in the minds of a lot of people. I think you have to accept whatever government is there.

Senator LODGE. That is one of the things that has been so prominently in my mind, that we are in an argument with a lot of those

people right now on this thing, and a great deal of the correspondence I get, and that we all get, is on that point.

Senator BARKLEY. You do not settle the argument by saying you will do this.

Senator LODGE. We are not in there because we are interested in bailing out the Greek monarchy, or because we are interested in helping the British get their loans paid. We are in there for an idealistic reason, and this fascist government through which we have to work is incidental.

I think it will be reassuring to the Wallaces and to the Peppers.

Senator CONNALLY. Those people will hit you 6 months from now.

The CHAIRMAN. I do not think they will wait 6 months. I think they will say, "This is hypocrisy."

Senator CONNALLY. I am assuming it will take you a while to get this bill into effect and take them a longer while to read it and understand it.

They will say:

You promised in the act not to do this; now you are over there doing it. You are helping that damned Greek King with not a drop of blood in his veins that is Greek. Here you are, helping him.

On the other hand they will say:

Look here. You promised you would not promote totalitarianism, and you are feeding those damned Communists right now. You are giving them food to subsist on.

Senator LODGE. You are not doing it as your object.

Senator WILEY. You are doing this to keep the Russians out. I think you can carry on and you can make a crazy quilt out of this thing, or you can come out and tell the people what your main object in this thing is. It is a question of self-interest.

Senator CONNALLY. We say so.

Senator BARKLEY. I think this matter has about as many "where-ases" as it can stand.

Senator LODGE. I will reword this to meet the views of the Senators:

Whereas it is not the object of the United States to promote the expansion of any totalitarian purpose or goal, whether communistic or fascist, or to reject the proposition that individuals have inalienable rights and must be both free and the masters of their own government.

Senator CONNALLY. If you do not help either the totalitarians of the communistic breed or the totalitarians of the other, you are not going to help anybody in Greece.

Senator LODGE. I think the important thing is to get the idea across that these two philosophies are grouped together in our minds. We have allowed a tinhorn politician to get his bandwagon rolling when we have something that is so very much better. I think we ought to take the ideological offensive.

#### VARIETY OF INTERPRETATIONS

The CHAIRMAN. I agree with everything you say, Cabot, but I constantly come back to the inescapable fear that words of this general character written into the act invite such a variety of interpretations that we are simply asking for an indefinite situation of added trouble, and we have trouble enough as it is. It seems to me that the furthest

thing we can safely or wisely do is to do what Senator Hatch suggested. I would be perfectly willing in the report to say that the committee viewed the following amendment offered by Senator Lodge with great sympathy, if you wish, but did not consider it to be possible of inclusion.

Senator CONNALLY. That would not help Senator Lodge any, to turn it down.

Senator SMITH. I would rather put it positively in the report, that we believe in these principles, than to say we considered and rejected his amendment.

Senator CONNALLY. Why could you not say in your report that it is in no wise the purpose of this aid to do either one of these things, and then stop?

Senator GEORGE. I do not think you had better say very much about this.

Senator CONNALLY. I think you are right.

The CHAIRMAN. I think you are right.

Senator GEORGE. We may be sending some aid to Franco to keep him from being taken over by the Communists. He may want some aid.

Senator CONNALLY. I think it would be much wiser to leave this whole thing out, even of the report.

The CHAIRMAN. We are going to use whatever instrumentalities are available to our hands before we get through if this thing expands as it might.

Senator GEORGE. Cabot, I think it would be unwise to put it in—not that anybody disagrees with it. Everybody thoroughly agrees, that is true. You can say what you please, but after all, the more we put in this bill that the fellow on the radio can talk about—and some of them on the radio are not talking very complimentary about it——

Senator CONNALLY. The more you put in the bill the more opportunity for argument and criticism and bellyaching that you are going to introduce.

Senator BARKLEY. I doubt very much whether in the report you ought to say you considered the Lodge amendment.

The CHAIRMAN. All right; I withdraw that. I was trying to get as far in Cabot's direction as possible against my own best judgment.

Senator BARKLEY. My feeling is somewhat similar to Senator George's. It is less harmful in the report, but I am not sure we ought to mention it.

Senator CONNALLY. The furthest I would go in the report would be to disavow any desire to intervene in the political affairs of Greece, and then stop. But I do not think it would do any good. I would rather not have anything in about it at all. Just send Senator Lodge a bouquet and quit.

Senator LODGE. I am always glad to get a bouquet.

There is something the matter with me, that I have not been able to make myself clear.

Senator WILEY. You have.

Senator GEORGE. Yes, you have.

Senator LODGE. If I could make you get inside my head you would feel the way I do. It comes from having been over there a lot during the war, and right after the war, and the discouragement you get with people in Europe because they do not see that we stand for anything,



and they just see that we have a lot of chocolate bars and a lot of cigarettes and a lot of gasoline to keep the black market going and they do not see that we stand for anything, and the Russians have this idea across that they do stand for something.

Senator GEORGE. They do. They stand for a new philosophy, and a new philosophy always takes hold of you.

#### U.S. STANDS FOR SOMETHING WORTHWHILE

Senator LODGE. I think we stand for something that is worthwhile.

Senator GEORGE. I think we used to.

Senator CONNALLY. Are we going into Greece and pick out every individual and see whether he is getting his inalienable rights?

Senator THOMAS of Utah. It is no more high sounding than the rest of the "Whereases," and it merely gives you the fundamental theory with regard to democracy without saying that.

#### FUNCTION OF "WHEREASES"

Senator GEORGE. We voted in the "Whereases," but the "Whereases" are more or less like the poetry at the head of a chapter.

Senator THOMAS. I think I can add something:

Whereas the furnishing of such assistance to Greece and Turkey by the United States will contribute to the freedom and independence of all members of the United Nations, in conformity with the principles and purposes of the Charter, and will advance the proposition that individuals have inalienable rights and must be both free and masters of their government.

#### U.N. DEALS WITH GOVERNMENTS, NOT INDIVIDUALS

Senator CONNALLY. Senator, I do not want to challenge you, out of your great background of scholarship and foreign travel and all that, but the United Nations deals with individual governments. It does not deal with individuals. It does not go down to the individual.

Senator THOMAS of Utah. But the United Nations adopted a Bill of Rights, and we are in favor of that, and if you want to be specific and say what you are standing for, a government which is controlled by the people, you can do it that way. It does not amount to a bagatelle, but it will give orators a chance to do what they want to do.

The CHAIRMAN. Suppose you enlarged the language to include the language in the Charter of the United Nations itself:

Whereas the furnishing of such assistance to Greece and Turkey by the United States will contribute to human rights, fundamental freedoms, and the independent self-government of all members of the United Nations in conformity with the principles and purposes of the Charter.

Senator CONNALLY. That is a homeopathic pill.

The CHAIRMAN. Does it help you any to enlarge that?

Senator LODGE. That is not what I want to do. I want to meet the situation in the mind of the modern man in Europe, who is completely, ideologically, at the mercy of communism today.

Senator CONNALLY. We are not going to look into the mouth of every fellow who needs relief to see whether he is a Communist or royalist.

Senator LODGE. I am not asking you to do that. I think the chief of any mission would be delighted to have this bill.



## LANGUAGE REJECTED

The CHAIRMAN. Let us have then a show of hands as to whether or not it is advisable to put any language of this nature in the bill. Those who think we should not include any language in the bill hold up your hands. (Six)

The CHAIRMAN. Those who think we should do something about it, put up your hands. (2)

The majority vote is otherwise.

## TECHNICAL AMENDMENT ON EXPENSES

Secretary ACHESON. May I raise a technical amendment here that the legislative counsel have gone over with us?

On page 2 of the bill, lines 21 and 22, the words at the end of the line say, "and any expenses related thereto."

Legislative counsel believe that that is not clear enough and that those words ought to come out of that particular place, and that we should have a paragraph following the one which is numbered 4, which would say:

By incurring and defraying necessary expenses, including administrative expenses and expenses for compensation of personnel in connection with the carrying out of the provisions of this act.

There is some technical reason for that that I do not understand, but the legislative counsel of the Senate and House have gone over this, and whereas they all agreed on this language earlier, they are not now satisfied with it.

The CHAIRMAN. On their recommendation I suggest that, without objection, the change will be made.

Senator GEORGE. And strike out the words "and any expenses related thereto"?

Secretary ACHESON. Yes.

## SENATOR JOHNSON'S FIRST AMENDMENT

The CHAIRMAN. Now we have the amendments proposed by Senator Johnson. The first amendment is to take Turkey out of the bill entirely. Those in favor say "Aye." Those opposed, "No." The amendment is not adopted.

## SENATOR JOHNSON'S SECOND AMENDMENT

Senator Johnson's second amendment requires the Government to abolish within 90 days all hereditary offices, titles, and so forth. Those in favor of the amendment to require the abolition of all hereditary offices and titles within 90 days say "Aye." Those opposed, "No." The amendment is lost.

Senator GEORGE. I do not think it is a long enough time.

## OTHER AMENDMENTS

The CHAIRMAN. The next amendment:

Nothing in this Act shall be construed to imply that the Government of the United States has adopted as its policy in international affairs (a) intervention in civil strife, civil war, or political conflicts in foreign countries; or (b) uni-

lateral action, either now or in the future, in disregard of its obligations to the United Nations.

(b) The Congress hereby reaffirms the basic policy of the United States to bring before the United Nations all economic, political, or military conditions which may endanger the peace of the world.

It seems to me we have covered that by the amendment we adopted this morning.

Senator SMITH. I agree with this, but I do not think we need it.

The CHAIRMAN. Those opposed will say "No." (Unanimous)

The next amendment:

As a condition precedent to the receipt of any loan pursuant to this Act, the government requesting such loan shall (a) register with the United States Treasury Department all holdings of gold held by such government, both at home and abroad; (b) register with the United States Treasury Department all foreign assets, stocks, bonds, or other holdings, of such government and of the nationals of such government; (c) make public the full foreign and domestic indebtedness of such government; and (d) relegate all foreign indebtedness of such government to a subordinate position to the indebtedness incurred pursuant to this Act.

We covered that last one in the Lodge amendment.

Senator LODGE. We covered it more thoroughly than he does.

Senator SMITH. Nothing will be gained by that.

Secretary ACHESON. All the essential information we have.

Senator CONNALLY. The President will be able to avail himself of all the information on those points, will he not?

Secretary ACHESON. Yes.

The CHAIRMAN. And you have it?

Secretary ACHESON. Yes.

The CHAIRMAN. Those in favor will say "Aye." Those opposed, "No." The amendment is not adopted.

#### AMENDMENT ON NONMILITARY ASSISTANCE

The final amendment confines the bill to nonmilitary assistance. Those in favor say "Aye." Those opposed, "No." The amendment is not adopted.

Senator GEORGE. I do not want to vote on that, Mr. Chairman. I am withholding my vote on military assistance.

Senator SMITH. I vote for it, but I do it with great regret.

#### THE PEPPER SUBSTITUTE

The CHAIRMAN. That leaves the Pepper substitute, with which I think we are all familiar without the necessity for reading it. The Senator went into it at great length. Are you ready to vote on the substitute? Those in favor will say "Aye." Those opposed, "No." The substitute is not adopted.

Senator GEORGE. I would not vote for the substitute as he has it. He could get a substitute, maybe, in form that I might support it, and I reserve that right.

The CHAIRMAN. Are there any other amendments?

#### SENATOR GEORGE'S AMENDMENT

Senator GEORGE. Yes, sir; I want to offer one. I do not think it is going to amount to anything with this committee. I did not mean that

the committee had closed its minds. I want to ask the Secretary, because I am not sure that it is of record, if the Secretary is willing for it to go on record. I asked the Secretary, it will be recalled, if any additional time to the 2 weeks' breathing spell, and a few days more, from the 24th until the time this matter came to us, was asked of the English, and if they were requested to stay on until we could take a look at this situation, meaning by that until we could get the report from the United Nations delegation surveying the border difficulties, as I recall it, that he himself took the matter up with the British Ambassador. Now, if that is not of record, I would like to ask it to go on the record.

Have you any objection, Mr. Secretary, to that going in the record?

Secretary ACHESON. I do not think so, Senator George. It has not been made public.

Senator GEORGE. No. I was asking if it might be of record.

Did you have any response from the British Ambassador, or from his Government, declining or expressing a willingness to discuss a further extension of the time in which we were to make our decision in this matter?

Secretary ACHESON. The matter was put in terms of furnishing additional funds. The British have agreed to make available as a gift to the Greek Government 2 million pounds, which is necessary immediately for the work that is being done in the Army and to make available another million pounds as an offset to obligations that the British Government owes to the Greek Government.

Senator GEORGE. That was the response made by the British Government?

Secretary ACHESON. That is what they have agreed to do.

Senator GEORGE. The British Government did not express any willingness to extend the period in which we might consider this problem beyond that?

Secretary ACHESON. It is not a period as we might consider it, Senator. I think that puts it in a little confusing way. The decision of the British Government originally was that they could not make any further funds available after the 31st of March, and they are now making available 3 million pounds after the 31st of March.

Senator GEORGE. Which is sufficient to carry the British military mission and military force?

Secretary ACHESON. No; that has nothing to do with the British military mission or military force that the British are maintaining entirely at their own expense. These are funds available to the Greek army.

Senator GEORGE. A total of 3 million pounds or, roughly, \$12 million.

Senator BARKLEY. In that connection, is there any understanding as to how long that would maintain the situation in Greece, that \$12 million?

Secretary ACHESON. Roughly, 2 million pounds is to go forward with purchases for the reorganization of the Army; the 1 million is supposed to carry the current expenses to somewhere around the middle of April. It may go a little longer than that. It depends on how carefully they are husbanded.

Senator GEORGE. Mr. Secretary, may I ask you another question for the record?

## A BRITISH POLICY OR A NEW PROGRAM?

By this legislative proposal, are we picking up the policy of any other peoples, meaning the British in this instance, or are we making a new program for ourselves?

Secretary ACHESON. It is the latter, Senator.

Senator GEORGE. It is the latter?

Secretary ACHESON. Yes, sir.

Senator GEORGE. It is an entirely new program?

Secretary ACHESON. Yes, sir.

Senator CONNALLY. In other words, it is our programs. We are going to go in there and do as we think it ought to be done?

Secretary ACHESON. Yes, sir; in agreement with the Greek Government.

Senator GEORGE. Suppose we are notified of a withdrawal of the British in some other quarter. Has there been any consideration given to whether we should go into any other quarter of the globe where the British are presently occupying or in possession?

Secretary ACHESON. There has been no suggestion that we should. We have no intention of doing it.

Senator GEORGE. No intention?

Secretary ACHESON. No, sir.

Senator SMITH. I understood your attitude there was, as new cases arose, you would have to deal with them on their merits, and they had no connection with this policy here.

Secretary ACHESON. The Senator is asking me about areas from which the British will withdraw.

Senator GEORGE. I was asking whether we were merely picking up a policy when it played itself out, or whether we were making an entirely new policy of our own.

Secretary ACHESON. We are making our own policy.

Senator GEORGE. Entirely new?

Secretary ACHESON. Of course, there has been aid to the Greek people before.

Senator GEORGE. I do not mean that they have received aid from the British. But it has no part of it British policy?

Secretary ACHESON. That is quite right, Senator.

Senator THOMAS of Utah. That is, we are not assuming any obligation or any promises that Britain may have made to carry them out.

Secretary ACHESON. None whatever.

Senator THOMAS of Utah. There is no understanding between the United States and Great Britain at all about this except what we all understand, is there? Is there anything formal drawn up?

Secretary ACHESON. No, sir. In the answers to the questions which I have given, we have stated that there were no agreements of any sort.

The CHAIRMAN. Is there any further discussion, or are there any further amendments?

## EFFECTIVE DATE OF BILL POSTPONED

Senator GEORGE. Mr. Chairman, in all good faith I would like to see the effective date of this bill postponed for 60 days after the President approves it, so as to give the United Nations a real opportunity to consider this problem and make its own decision, unembarrassed by any



accomplished fact that may result from this legislation. I do not expect the committee to favorably report on that view, or to support that view. I do not know whether this act will become effective within 60 days or not. But my settled and very definite conviction is that we have been unnecessarily hurried into this decision without any adequate reason for being precipitously thrown into it.

I say that on this basis, among other things: that here is an estimated \$400 million, and that has been broken down by responsible spokesmen of the State Department into so much for military aid, and yet no one has been able to specifically say precisely what military supplies, equipment, or aid is to be given. The information we have and the evidence we have is entirely general, which leads me to the unavoidable conclusion that it is a precipitous action taken without that consideration which ought to have preceded an action of this kind, a decision of this kind. That is my own definite profound conviction about this whole matter.

But I realize the attitude of the committee is to go ahead and enact it, and put it into effect at once, or as soon as it possibly can be put into effect so far as our legislative responsibilities go in the premises. And I am not making any motion or offering it as an amendment. But while I am willing to vote this bill out, I am reserving the right on the floor to take whatever position I may wish to take with respect to when this act becomes effective.

Senator SMITH. Mr. Chairman, I would like to endorse what the Senator from Georgia said.

The CHAIRMAN. Will you forgive me? I have to go up to open the Senate. I would like to postpone the final vote until I get back.

#### SIXTY-DAY DELAY PREFERRED

Senator SMITH. With this qualification, that if the Acting Secretary of State, Mr. Acheson, says it is the judgment of the State Department that such an action would be really critical to the situation in Greece. I would be prepared to vote for this bill to go into effect at once. I would much prefer to have the 60-day period, in order to give the Vandenberg amendment that we adopted this morning a chance to operate, where the President is to discontinue this aid or however we worked that. I much prefer the 60-day period so that this whole thing can be made effective and our faith would be shown, unless the Secretary of State says that will be a critical situation.

Senator CONNALLY. Have we any assurance that if we put it off 60 days the United Nations would act or would take our delay as an invitation to act? I was wondering if you want to make it 60 days after the passage of the act or would you rather have some definite date, say the first of July, or something of that kind. The House is going to take a long time in considering this matter, I think. I do not know.

#### DELAY WOULD PREJUDICE U.S. INTERESTS

Senator WILEY. Mr. Chairman, might I ask the Secretary along that line: Supposing a stopgap appropriation were made to take care of the critical hungry and starving situation. What is the judgment of the Department? Would 60 days after the passage of this bill, or after-

it became law, in any way be prejudicial to our interests in the Middle East?

Secretary ACHESON. It is our judgment that it would.

Senator WILEY. On what do you base that?

Secretary ACHESON. On the fact that I do not believe that the complete economic collapse of Greece can be prevented very long. The situation is getting worse every day. If a very substantial period of time is indicated as elapsing before anything can be done, this situation will just go to pieces.

Senator WILEY. My question assumed that we make a stopgap appropriation. I think someone suggested you might even pass legislation quickly to make available \$100 million for the purpose of relief, not military relief, leaving the bill to go into operation in 60 days after passage. Assuming that to be a fact, there would be money available for that purpose. Do you think our interests would be prejudiced?

Secretary ACHESON. I do: yes, sir.

Senator SMITH. I would like to know why that would be. As I gather from what Senator Wiley is saying, he is following up Senator George's suggestion. If this act goes into effect 60 days after passage, in the meantime as part of our program we get from the RFC \$100 million and dump it over there.

Secretary ACHESON. I think the only way you can deal with the Greek situation is to deal with it firmly and effectively from the start. If we put an inadequate sum of money in and say, "Perhaps some more will come along later," then I think you will have the economic collapse.

Senator SMITH. I would not say "perhaps." I would say, "This act goes into effect in 60 days," and in the meantime you send the \$100 million over.

Secretary ACHESON. In dealing with a situation which is only a week or two from complete disintegration, I think we have either got to move into it and say we are prepared to act. Of course, if the United Nations comes along and asks us not to, we will not, but I think if we postpone the effectiveness of our action for any reason we will find, first of all, that the thing may go to pieces anyway; secondly, that the inflation and extent of the note issue and things of that sort that are going on will make anything we do infinitely more difficult and more expensive.

#### STOPGAP APPROPRIATION

Senator BARKLEY. Let me ask you this, Senator, in regard to a stopgap appropriation. I was credited with having made that suggestion, which I did not make. A young woman asked me whether we would pass this legislation by the 31st of March, and I said we could not. That was obvious at the time. Then she asked me if it could not get through by the 31st of March, whether some arrangement for a temporary appropriation, a loan by the RFC, might be available, and I said that might be worth trying. That is all I said, but I was quoted in all the papers as having suggested it.

But here is what occurs to me about it. If legislation is required to authorize the stopgap appropriation, as you call it, of \$100 million, or a loan, we will be involved in the Senate in an all-out discussion of the whole Greek-Turkish situation, and it will take just about as

long, as I see it, to get such a bill through as to get this thing through, because the whole debate will come on the whole problem. I have been convinced in my own mind that we would not gain much time by trying to do that, and we might, by that sort of fiddling—and say that without any offense to anybody's ideas—create moral disintegration over there that could be bolstered by the certain knowledge that we are going to do the whole thing, the whole \$400 million, as I see it. I do not think we gain much time in the Senate by trying to put through a \$100 million appropriation or loan any more than we would by taking the whole thing up and getting through with it.

Senator SMITH. Apparently we are going to use the RFC for that \$100 million.

The CHAIRMAN. That is after you settle the fundamental question.

Senator SMITH. Senator George asked the question as to whether you could make the act go into effect 60 days after its final passage, and make section 4 immediately available.

The CHAIRMAN. That is entirely different.

#### “IFS” WEAKEN U.S. POSITION

Senator CONNALLY. May I ask a question of you gentlemen? It seems to me that by temporizing or putting up ifs and ifs and ifs in this bill we are weakening our position. This morning we have given the U.N. all the opportunity that it needs, if it wants to act, which it will not do, of course. But when we have done that, it looks to me as though we ought to act promptly.

Senator George said we were in a hurry. I want to ask the chairman if it is not true that every witness that has asked for a hearing before this committee has been given an opportunity to be heard. Is that true?

The CHAIRMAN. Every witness has been heard, and if you will allow me, Senator, I would like to add that we are releasing this noon the print of the questionnaire.

#### GRATITUDE FOR THE STATE DEPARTMENT

In the first place, I want to express my very deep gratitude to the State Department for what I consider to be the perfectly amazing job that it has done in answering every single one of these questions categorically; and bearing upon the point you were making, Senator, about hearing witnesses. I think this is the most thoroughgoing and searching pursuit of facts that has even been undertaken by this committee in connection with any problem I know of, so that while we have operated under the duress of a time limit, within that time limit I think we have gone to extraordinary lengths in exploring the subject.

#### A REASON FOR TREMENDOUS DOUBT

Senator WILEY. Mr. President, we are about, I assume, to vote. I want—and I have refrained from saying much—to express the thing that has caused me a tremendous doubt. On the one hand I see Greece suffering and I see a condition down there where we are recognizing it at once as something in which we have a tremendous self-interest. We see Russia pushing down from the north. I see that. And right



there, if that were the thing in my mind, I would not have any question about my own convictions.

But, Mr. President, are there not in the world, as our representatives in the United Nations, men who can seize this dynamic movement and make the United Nations what I think it should be and what the hope of the world is that it will be?

It seems to me that there is much, therefore, in Senator George's proposition. If we could see that suffering was alleviated, but place it in the laps of these men—if you, sir, were up there representing this country, with your dynamic force and ability, you could take the occasion, sir, and make the world aflame with the challenge that is thrown in the lap of the United Nations by this very thing.

Now, if we do not do this, if we step aside, there you have the other alternative. There they are. My America is stepping out into a new field, reaching out and, yes, without mincing words, assuming the function of the British Empire, which she so gallantly handled in the century that is past.

On the other hand I recognize that in this new dynamic age of invention and contraction of earth an instrumentality is born that is going to die like an apple on the tree, all curled up, or is going to grow, and here is the opportunity to demonstrate it. You said today, "The peace of the world is involved," and to me that is the thing that is involved in this challenge of Senator George.

I may seem to be impractical, but God, the thing appeals to me so that for the first time in a long time I have been in doubt as to which way to go.

Now I have said my say.

#### STOPGAP APPROPRIATION, \$100 MILLION

Senator GEORGE. Mr. Chairman, I want to make it perfectly clear that I am not criticizing the committee for not having heard the testimony brought before it, or any witness who wished to appear before it, and I want to most respectfully take issue with anybody who says this is piddling, or suggests the idea of a piddling motion.

Senator BARKLEY. I am not talking about motions, Senator. I was talking about the \$100 million stopgap appropriation. That is what I meant.

Senator GEORGE. Here is a bill that appropriates \$400 million. That does not bother me. I think it is a matter of concern; it is a matter of consideration. We can so weaken ourselves until we will be overwhelmed. But then nobody seems to worry about that any more.

I had no idea of doing more than to pass the bill, but with a provision that it shall become effective 60 days after its approval by the President, with the exception of section 4, which should become immediately effective, which grants \$100 million for relief of Greece and Turkey or, if it is not so worded so as to do that, I assume that it can be. I have not scrutinized the bill for mere language.

I am making my motion on the basis that everything in this record shows that this is a hasty conclusion and that it has been accepted without that deliberate consideration that should govern our conduct in a matter of such supreme importance.



I cannot escape my own convictions about it. I am not going to vote not to report the bill. I will vote to pass the bill. But I do not think that we ought to have been called upon—and I am not critical of the Under Secretary, because I realize that there were others above him—and I do not think our Government acted with anything like the consideration it should have had for the American people and for the seriousness and gravity of these issues involved in this matter, in not saying frankly to the British when they got the note :

Now we do not expect to be pushed into this thing until we have had an opportunity to have full exploration of precisely what it may mean to us in the future.

I do not think I have to defend myself here. I carried the burden in large part—Senator Barkley and myself did—of the Lend-Lease proposal. I have never had any apologies to make for that. But I could then see the shadows of war lengthening all over the earth, and I thought it was absolutely necessary to move.

This is not that situation. Nobody thinks Russia is going to attack us. Nobody thinks Russia is going to make any war now on anybody. Certainly not. That she will keep up the same aggravating aggressiveness that she has had in the past, and infiltrations and the pressures and war of nerves, I guess few of us doubt, few of us question. But there is not, it seems to me, the necessity for doing more than passing this act, making your section 4 immediately effective and giving a chance to the amendment which we have put in this bill this morning to really have some life and some vitality.

Once the fact is accomplished and we are into it, the United Nations of course will have no incentive and it will have no proper motive, at least, to make any inquiry about it. They will say, "The United States has taken this burden. Let them carry it." And they will let it run, and that will be the situation. And we will have it on our hands.

I do not know that we will have to go anywhere else in this world, and I do not say that at the moment. I do not see how we are going to escape going into Manchuria, North China, and Korea and doing things in that area of the world. But at the same time that is another question, and we have got the right to exercise commonsense. But I know that when we make a policy of this kind we are irrevocably committing ourselves to a course of action, and there is no way to get out of it next week or next year. You go down to the end of the road. That is the position we are taking here, unless the United Nations could, through our own spokesmen in that organization and through others, come in here and say :

Well, here is legislation. The Congress of the United States has passed it. The United States is ready to act. It is acting in the meantime to alleviate human suffering and prevent a collapse of an economy of a very small country. It is doing that. Now, do we want to do anything about it?

They might want to call on the United States to put up its quota of the International Police Force, and to make a contribution to precisely this kind of thing, through some one of the independent agencies that have been established under the auspices of the United Nations Charter.

They might want to do nothing. I do not know. But at least they would be free to act.

I know, Mr. Chairman, that my views do not meet with the views of the majority of the committee, and I do not want to delay it, but I want to make it clear that I am not critical at all of the manner in which the hearings have been conducted, or anybody has been precluded from testifying at any length if they wanted to be heard on this issue. That is not a point. After all, this decision is here for us.

#### SECONDING SENATOR GEORGE'S VIEWS

Senator SMITH. Mr. Chairman, I second the Senator's views. I did not understand whether he was offering an amendment, to deal with it that way, this 60-day extension, reserving the \$100 million RFC clause.

Senator GEORGE. Yes; that is what I would offer, Senator, but I said very frankly I did not think the majority of the committee would be favorably disposed to it.

Senator SMITH. Would you like to have a vote on it? I would like to be of record supporting it.

Senator GEORGE. I know the Secretary has made perfectly clear the reasons why the State Department thinks immediate action is necessary and the urgency under which we are acting. I will make the motion.

The CHAIRMAN. Will you state the motion again?

Senator GEORGE. I will make the motion that this bill become effective 60 days after approval by the President, with the exception of section 4 thereof, which shall become immediately effective upon the President's approval of the legislation.

Senator SMITH. We would probably have to reword section 4 in some respects.

Senator GEORGE. I assumed that that was sufficient, Senator, but I do not know that it is.

Senator LODGE. I understand Mr. Acheson has disagreed to a 60-day postponement of the whole bill, but I do not know whether he has had a chance to express himself on a 60-day postponement allowing this \$100 million to become available at once.

The CHAIRMAN. I wish you would make a statement, Mr. Secretary.

#### ACHESON'S VIEW ON 60-DAY POSTPONEMENT

Secretary ACHESON. I should regret very much, Mr. Chairman, to have the committee take this action. What it would do would be to give us \$100 million without any authorization to use the \$100 million.

In the second place, it would not give us any authorization to use the personnel that are referred to in sections 1 and 2 of the act; and in the third place, it would not give us the authorization to apply to the Appropriation Committee for the remainder of the \$400 million. It would take considerable time in any event to get action by the Appropriation Committee. That is why the \$100 million was put in there. If we postpone the effective date of the rest of the act, I do not think we can operate at all. I am afraid that the whole situation in Greece would make it quite impossible for us to act.

Senator SMITH. I would not want to support this motion, Mr. Chairman, if the State Department feels clearly that that will be the result. I am entirely in sympathy with Senator George's point of view. I would like to see opportunity given to the United Nations to move into this situation under the amendment we have adopted today.

## DEFERRING PASSING ON THE MOTION

The CHAIRMAN. May I make an observation? Senator George's first inclination was to withhold a motion at the present time, and he subsequently desired to put us on notice that he might raise that question on the floor. I wonder if we cannot report out the bill without passing on the motion this morning, so that we will have a little more time to explore that phase of the motion before any of us has to take a position on it.

Senator GEORGE. Mr. Chairman, that will be agreeable to me, because, as I said in the beginning, I had no disposition to throw any wrenches into the machinery.

The CHAIRMAN. I want to say that I have great sympathy with the general idea Senator George has suggested, but according to my present lights it seems to me that it is totally impractical. I would like to take a little time to think it over and look into it, and I think it would be better for all concerned if we did not raise that issue here when we report out this bill.

Senator GEORGE. It is quite agreeable to me, Mr. Chairman. I may prepare an amendment and, if I do so, of course I will undertake to make immediately available the \$100 million and also to put into operation such machinery as will be necessary for the administration.

The CHAIRMAN. Even if the thing were to be done, it is obvious that there is additional exploration that would be needed in order to put it into appropriate form.

Senator GEORGE. Yes; that is quite true.

The CHAIRMAN. May I proceed, then, on the theory that you are withdrawing your motion?

Senator GEORGE. That I am withholding it, but reserving the right to offer it.

The CHAIRMAN. That is right.

If there are no other amendments and there is nothing further to be said, the clerk will call the roll on the passage of the bill.

The CLERK. Mr. Capper?

Senator CAPPER. Aye.

The CLERK. Mr. White?

Senator WHITE. Aye.

The CLERK. Mr. Wiley?

Senator WILEY. Aye.

The CLERK. Mr. Smith?

Senator SMITH. Aye.

The CLERK. Mr. Hickenlooper?

Senator BARKLEY. I think Senator Hickenlooper would like to be recorded "Aye."

Senator THOMAS of Utah. He expressed himself that way yesterday. (Senator Hickenlooper, upon being contacted, was recorded as voting "Aye.")

The CLERK. Mr. Lodge?

Senator LODGE. Aye.

The CLERK. Mr. Connally?

Senator CONNALLY. Aye.

The CLERK. Mr. George?

Senator GEORGE. I vote "Aye," with the reservation which I have made.

The CLERK. Mr. Wagner?  
(Senator Wagner, his office having been contacted, was recorded  
as voting "Aye.")

The CLERK. Mr. Thomas?

Senator THOMAS of Utah. Aye.

The CLERK. Mr. Barkley?

Senator BARKLEY. Aye.

The CLERK. Mr. Hatch?

Senator HATCH. Aye.

The CLERK. Mr. Chairman?

The CHAIRMAN. Aye.

As the vote stands?

The CLERK. Thirteen "Ayes," no "Noes."

Thank you gentlemen.

The committee is adjourned until Tuesday morning at 10 o'clock.  
(Whereupon, at 12:40 p.m., the hearing was adjourned.)





## APPENDIX

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### LEGISLATIVE CHRONOLOGY OF S. 938

TO PROVIDE FOR ASSISTANCE TO GREECE AND TURKEY

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#### *PRESIDENT'S MESSAGE RECEIVED BY CONGRESS ON MARCH 12, 1947*

##### *SENATE ACTION:*

- Introduced* (S. 938) by Mr. Vandenberg on March 19, 1947
- Referred to Foreign Relations Committee* on March 19, 1947
- Public Hearings* held on March 24, 25, 26, 27, and 31, 1947
- Executive Hearings* held on March 13, 18, 20, 28, 29, and April 1, 2, and 3, 1947
- Reported to Senate*, with amendments, on April 3, 1947 (S. Rept. 90)
- Debated* on April 7, 8, 9, 15, 16, 17, 18, 21 and 22, 1947
- Passed*, with amendments, on April 22, 1947  
(Vote: 67 to 23—See C.R., p. 3908)
- Conference Committee Appointed* on May 12, 1947  
(Conferees: Senators Vandenberg, Capper, Wiley, Connally, and George)
- Conference Report Agreed to* on May 15, 1947

##### *HOUSE ACTION:*

- Introduced* (H.R. 2616) by Mr. Eaton on March 18, 1947
- Referred to Foreign Affairs Committee* on March 18, 1947
- Public Hearings* held on March 20, 21, 24, 27, 28, 31, April 3, 8, and 9, 1947
- Reported to House* on April 25, 1947 (H. Rept. 314)
- Rule Requested* on April 28, 1947
- Rule Granted* on May 2, 1947 (H. Res. 205—H. Rept. 335)
- Debated* on May 6, 7, 8, and 9, 1947
- Passed* (text of H.R. 2616 substituted for S. 938) on May 9, 1947  
(Vote: 287 to 107—See C.R., p. 5031)
- Conference Committee Appointed* on May 13, 1947  
(Conferees: Congressmen Eaton, Mundt, Jonkman, Bloom, and Kee)
- Conference Report Agreed to* on May 15, 1947

*SIGNED BY PRESIDENT ON MAY 22, 1947  
(PUBLIC LAW 75)*

## ASSISTANCE TO GREECE AND TURKEY

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APRIL 3 (legislative day, MARCH 24), 1947.—Ordered to be printed

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Mr. VANDENBERG, from the Committee on Foreign Relations, submitted the following

## REPORT

[To accompany S. 938]

The Committee on Foreign Relations, which has had under consideration the bill (S. 938) to provide for assistance to Greece and Turkey, report the bill with amendments favorably to the Senate and recommend that it do pass:

## MAIN PURPOSE OF THE BILL

This bill would authorize the President, when he deems it in the interest of the United States, to extend financial and other assistance to Greece and Turkey. For this purpose an appropriation not to exceed \$400,000,000 would be authorized. In general, the assistance contemplated may take the following forms: (1) Financial aid such as loans, grants, and credits; (2) persons in the employ of the United States Government; (3) military personnel for advisory purposes only; (4) articles, services, and information; and (5) instruction and training of personnel in these two countries. Consistent with the sovereign independence of Greece and Turkey, the bill provides adequate safeguards against the improper utilization of the assistance rendered.

## BACKGROUND OF THE GREEK-TURKISH ISSUE

The difficult situations in which Greece and Turkey find themselves have been developing over an extended period. For some time it has been evident that without outside assistance these countries would have great difficulty in solving the problems confronting them. It appears from the testimony before the committee that the question of assistance to Greece and Turkey became a matter of urgency for the United States as a result of the decision by the British Government that it could no longer provide the aid it had been giving or had planned to give, and the subsequent urgent appeal by Greece. The decision of the British Government was communicated to the United

States Government by notes delivered on February 24, 1947; the request of the Greek Government on March 3.

In Greece there exists an extremely serious economic situation resulting from the destruction which occurred during the invasion and occupation of the country by the enemy and from the disruption of normal economic activities which has been caused by that destruction and by postwar internal armed strife. This armed strife also is in part the result of the events of the war period. During the war, with the aid of the Allies, many thousands of Greeks, organized in armed bands, made incessant war on the enemy. Upon the conclusion of the war most of these Greek irregulars further demonstrated their loyalty to their country by laying down their arms and returning to peaceful pursuits. Communist leaders, however, have been successful in gaining control of a number of guerrilla bands and are endeavoring to use them as instruments for effecting the overthrow of the Government and the establishment of a Communist regime. These armed bands are supported by the small but well-organized and effective Greek Communist Party and its affiliates and appear also to receive assistance and direction from sources outside Greece.

Up to the present the guerrillas have had considerable success creating chaos and uncertainty in various parts of Greece, particularly in the north, and the evidence presented to the committee indicates that the Greek security forces will be unable to restore domestic tranquillity without outside assistance in the form of equipment and supplies. The success of the bands is attributable in part to the demoralization of the population, which has undergone great suffering since the outbreak of the war; to the disorganization of the economy of the country; and to lack of equipment and supplies for the security forces of Greece. The program of aid which the committee recommends to the Congress is designed simultaneously to strengthen the morale of the Greek people, to improve economic conditions, and to make more effective the Greek security forces.

In Turkey there do not exist the internal disorders which are the primary cause of concern in Greece. Turkey, however, is under a severe economic strain which, if long continued, might lead to conditions similar to those now existing in Greece. The strain on the Turkish economy is caused to a large extent by the maintenance of large armed forces which are in need of modernization. Turkey feels herself obligated to maintain relatively large armed forces so long as the severe external pressure under which she labors continues to be applied to her. The immediate objectives of this pressure appear to be to separate certain portions of eastern Turkey from the rest of the country and to abridge Turkish control over the Dardanelles, but the ultimate objective might be to deprive Turkey of her independence. The purpose of the aid to Turkey which is proposed in the bill under consideration is to enable her to take certain necessary steps for strengthening the effectiveness of her security forces without overburdening Turkish economy to such an extent as to endanger its stability. The loss by the Turkish people of confidence in their future might eventually lead to conditions not dissimilar to those now prevailing in Greece.

Your committee finds that the conditions prevailing in Turkey are quite different from those in Greece and that consequently there should be differences in the character of the assistance to be rendered.



It is of the opinion, however, that in view of their geographic relationship, the collapse and loss of independence of one of these countries would have most serious effects upon the position of the other. Both countries are striving to progress on the democratic road, and both face difficulties in this endeavor created by forces over which their people have at present no control. The committee believes, therefore, that the matter of assistance to Greece and Turkey constitutes a single problem and that to extend aid at this time to only one of these countries might give rise to events which would seriously threaten the independence of both.

#### THE PRESIDENT'S MESSAGE TO THE JOINT SESSION OF CONGRESS

Shortly after receipt of information from the British Government that it could not continue aid to Greece and Turkey after March 31, the President informed congressional leaders of this fact. Moreover, on March 12, because of the gravity of the general situation confronting the world and involving the foreign policy and national security of the United States, the President appeared before a joint session of the Congress.

Stressing the urgent character of the Greek situation, the President said in part:

Greece must have assistance if it is to become a self-supporting and self-respecting democracy.

The United States must supply that assistance. We have already extended to Greece certain types of relief and economic aid, but these are inadequate.

There is no other country to which democratic Greece can turn \* \* \*. We have considered how the United Nations might assist in this crisis. But the situation is an urgent one requiring immediate action, and the United Nations and its related organizations are not in a position to extend help of the kind that is required.

It is important to note that the Greek Government has asked for our aid in utilizing effectively the financial and other assistance we may give to Greece and in improving its public administration. It is of the utmost importance that we supervise the use of any funds made available to Greece, in such a manner that each dollar spent will count toward making Greece self-supporting and will help to build an economy in which a healthy democracy can flourish.

Concerning the needs of Turkey, the President declared:

The future of Turkey as an independent and economically sound state is clearly no less important to the freedom-loving peoples of the world than the future of Greece. The circumstances in which Turkey finds itself today are considerably different from those of Greece. Turkey has been spared the disasters that have beset Greece; and, during the war, the United States and Great Britain furnished Turkey with material aid. Nevertheless, Turkey now needs our support.

Since the war Turkey has sought financial assistance from Great Britain and the United States for the purpose of effecting that modernization necessary for the maintenance of its national integrity:

That integrity is essential to the preservation of order in the Middle East \* \* \*.

As in the case of Greece, if Turkey is to have the assistance it needs, the United States must supply it. We are the only country able to provide that help.

Stating that he was fully aware of the broad implications involved if the United States extends assistance to Greece and Turkey, the President said:

At the present moment in world history nearly every nation must choose between alternative ways of life. The choice is too often not a free one.

One way of life is based upon the will of the majority and is distinguished by free institutions, representative government, free elections, guaranties of individual liberty, freedom of speech and religion, and freedom from political oppression.

The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections, and the suppression of personal freedoms.

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

I believe that we must assist free peoples to work out their own destinies in their own way.

I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes.

The world is not static, and the status quo is not sacred. But we cannot allow changes in the status quo in violation of the Charter of the United Nations by such methods as coercion, or by such subterfuges as political infiltration. In helping free and independent nations to maintain their freedom, the United States will be giving effect to the principles of the Charter of the United Nations.

Specifically the President recommended:

I therefore ask the Congress to provide authority for assistance to Greece and Turkey in the amount of \$400,000,000 for the period ending June 30, 1948. In requesting these funds, I have taken into consideration the maximum amount of relief assistance which would be furnished to Greece out of the \$350,000,000 which I recently requested that the Congress authorize for the prevention of starvation and suffering in countries devastated by the war.

In addition to funds, I ask the Congress to authorize the detail of American civilian and military personnel to Greece and Turkey, at the request of those countries, to assist in the tasks of reconstruction and for the purpose of supervising the use of such financial and material assistance as may be furnished. I recommend that authority also be provided for the instruction and training of selected Greek and Turkish personnel.

Finally, I ask that the Congress provide authority which will permit the speediest and most effective use, in terms of needed commodities, supplies, and equipment, of such funds as may be authorized.

If further funds, or further authority, should be needed for purposes indicated in this message, I shall not hesitate to bring the situation before the Congress. On this subject the executive and legislative branches of the Government must work together.

#### EXPLANATION OF THE PROVISIONS OF THE BILL

Section 1 of the bill authorizes the President, upon the request of the Governments of Greece and Turkey and when he deems it in the national interest, to furnish assistance to these countries upon terms and conditions determined by him. The assistance authorized includes financial aid in the form of loans, credits, grants, or other form of financial aid; the detail of persons in the employ of the Government to assist those countries; the detail of a limited number of members of the military services of the United States, to assist in an advisory capacity only; and provision for the transfer and procurement of articles, services, and information and for the instruction and training of personnel of those countries. The effect of the clause "notwithstanding the provisions of any other law," in section 1, is to insure that statutes inconsistent with or partially dealing with the subject matter covered by the provisions of this section be not construed so as to prohibit the effective carrying out of the terms of the section.

Persons detailed under the authority of section 1 are entitled to the rights, privileges, benefits, and status authorized under existing legislation with respect to persons, civilian or military, as the case may be, detailed to assist the Governments specified in such legislation, without limitation of the authority of the President to provide for the detail of such persons in a manner which will permit the most effective administration in the field of the programs of assistance to Greece and Turkey.

Section 2 permits the speediest and most effective use, in terms of assistance needed by Greece and Turkey, of such funds as are authorized in the bill. Subsection (a) prescribes the manner of allocation of funds to the agencies of the Government through which the President may act to provide assistance. Subsection (b) empowers the President to authorize the agencies of the Government to furnish such assistance on the basis of advance payments for the assistance by Greece or Turkey. By virtue of subsection (c), when any property which is surplus to the needs of any agency of the Government is transferred to Greece or Turkey under the bill, any funds received in payment therefor are required to be covered into the Treasury as miscellaneous receipts. The purpose of subsection (d) of section 2 is to prohibit the furnishing of any articles or services to Greece and Turkey under the bill unless they are paid for either from funds authorized by the bill or from funds paid in advance by the government receiving such articles or services.

Section 3 provides that before assistance is furnished, the Governments of Greece and Turkey shall agree to certain reasonable undertakings, consistent with the sovereign independence of these countries, which provide the United States with proper safeguards against the improper utilization of the assistance furnished. These undertakings include permission to appropriate representatives of the United States Government to observe the utilization of the assistance furnished, and permission to representatives of the American press and radio to observe freely and report fully regarding the utilization of such assistance. Such conditions are not, of course, intended to impair in any manner the sovereign independence or internal security of the two countries. Other conditions are that the Governments receiving assistance shall not make unauthorized transfer or use of articles, or unauthorized use or disclosure of any information, furnished to them; shall make such security provisions as the President may require with respect to any article, service, or information furnished; and shall not use the proceeds of any financial aid for the making of any payment on account of the principal or interest on any loan made to such Governments by any other foreign government.

In order that the most urgent needs for assistance may be promptly met, section 4 of the bill authorizes the Reconstruction Finance Corporation to make available not to exceed \$100,000,000 until such time as an appropriation shall be made to carry out the purposes of the bill. This section also authorizes the appropriation of not to exceed \$400,000,000 from which the Reconstruction Finance Corporation shall be repaid for the funds made available by it.

Under section 5 the President is authorized to prescribe rules and regulations to carry out the provisions of the bill and to exercise any power or authority conferred upon him through such agency or officer of the Government as he shall direct.

Section 6 (sec. 8 of the amended bill) provides for the submission by the President of quarterly reports to the Congress of expenditures and activities under the authority of the bill.

During its consideration of the bill the committee approved five amendments. A brief analysis of these amendments may be found below in the section entitled "Action Taken by the Foreign Relations Committee."



## RELATIONSHIP OF THE BILL TO RELIEF LEGISLATION

In his message to the joint session of the Congress in which he requested \$400,000,000 for assistance to Greece and Turkey, the President stated:

I have taken into consideration the maximum amount of relief assistance which would be furnished to Greece out of the \$350,000,000 which I recently requested that the Congress authorize for the prevention of starvation and suffering in countries devastated by the war.

Representatives of the Department of State testified during the course of the hearings before the committee that they contemplated that from \$50,000,000 to \$60,000,000 of the appropriation for relief purposes would be utilized for the furnishing of relief supplies to Greece. The amount so used for relief purposes in Greece would thus be in addition to that portion of the \$400,000,000 authorized in the present bill which may be used for furnishing financial, economic, and technical assistance to Greece.

Your committee is satisfied that the two measures do not in any way overlap as the relief legislation is designed to deal with the minimum requirements of the country to prevent starvation and suffering. The funds provided in this bill, on the other hand, would be devoted to the essential reconstruction and rehabilitation needs of Greece and to the other technical assistance which will be described in detail in later sections of this report.

## THE QUESTIONNAIRE SUBMITTED TO THE DEPARTMENT OF STATE

• In view of the great importance of the program envisaged in S. 938 to American foreign policy in general, it was considered desirable to go to extraordinary lengths in developing all possible information as a basis for intelligent judgment in Congress and the country. To this end the chairman of the Foreign Relations Committee invited the Members of the Senate to submit any questions they might have with respect to the extension of aid to Greece and Turkey. As a result of this invitation more than 400 such questions were received. These questions were consolidated so as to avoid duplication and a composite questionnaire of 110 items was submitted to the State Department on March 20 for reply.

Subsequently many of the questions were answered in the statements made to the committee by Secretaries Acheson, Patterson, Forrestal, and Clayton. On March 29 the State Department submitted a complete reply to the committee. The questionnaire, together with the Department's replies to each question, was printed for the use of the Senate on April 1. It is believed that the information contained therein has done much to clarify many important issues and furnish the Senate with the information necessary for intelligent action.

## THE COMMITTEE HEARINGS

The committee began its formal consideration of the principles involved in S. 938 the day after the President delivered his message to the joint session of Congress. On March 13 Acting Secretary Acheson, Secretary Patterson, and Secretary Forrestal appeared before the committee in executive session to discuss with the members the implications of the program proposed by the President. One



week later the chairman of the committee submitted to the State Department the questionnaire referred to above.

Meantime public hearings were held from Monday, March 24, to Monday, March 31, inclusive. Acting Secretary Acheson, Secretary Patterson, Secretary Forrestal, and Under Secretary Clayton appeared on March 24 and 25. Some 33 other witnesses, many of them representatives of local or national organizations, appeared personally before the committee on March 26, 27, and 31. A complete list of these witnesses and the organizations they represent will be found below. In executive session on Friday, March 28, and Tuesday, April 1, the committee again had before it Mr. Acheson, Mr. Patterson, and Mr. Forrestal and also heard the Ambassador to Greece, Mr. Lincoln McVeagh, and the Ambassador to Turkey, Mr. Edward C. Wilson, and Mr. Paul Porter, chief of the President's special economic mission to Greece.

The committee also extended an invitation to the Members of the Senate who had introduced amendments to S. 938 to appear. Accordingly on April 1, Senator Ball, Senator Johnson, Senator Murray, and Senator Pepper explained their amendments and discussed the implications of the bill with the committee.

#### NONGOVERNMENTAL WITNESSES

On March 24, 25, and 31 the committee heard 33 nongovernmental witnesses. A few of these testified as individuals but the great majority of them represented either local, State, or National organizations. Many of the witnesses who appeared objected to the provisions of S. 938 mainly on the following grounds: (1) Unilateral action by the United States in the way of assistance to Greece and Turkey would tend to weaken the United Nations; (2) the extension of military assistance to these countries might not be in the best interests of world peace; (3) it was objectionable to support in this fashion the regimes now in power in Greece and Turkey; and (4) this initial request for aid might result in a series of similar requests from other states in various parts of the world. These and other objections raised during the hearings are examined in later sections of this report.

During the hearings the committee heard every witness who asked to appear. It should be pointed out, however, that the witnesses who testified did not represent a good cross section of American public opinion. Most of the leading religious, educational, labor, farm, business, and professional organizations did not ask to be heard. This may have been due to the fact that in the few weeks intervening since March 12, their policy-forming organs have been unable to meet to consider the matter.

A full list of the witnesses, together with the organizations they represented, follows:

- Bolte, Charles G., chairman, American Veterans Committee.
- Boss, Dr. Charles F., Jr., secretary, Commission on World Peace, the Methodist Church.
- Brodsky, Nathan E., president, Zionist Council of Essex County, N. J.
- Cloward, Rev. Donald B., executive secretary, Council on Christian Social Progress, Northern Baptist Convention.
- Couvaras, Costa G.
- Eichelberger, Clark, American Association for United Nations.
- Fairchild, Prof. Henry Pratt, secretary, National Council of American-Soviet Friendship.

Fields, Allen D., Nation Associates.  
 Fleischman, Henry, national secretary, the Socialist Party.  
 Gillette, Col. Douglas H., technical adviser to Greek Embassy.  
 Inman, Prof. Samuel Gúy, guest professor of international relations, Ohio Wesleyan University.  
 Karanikas, Alex, American Council for a Democratic Greece.  
 Kingdon, Dr. Frank, cochairman, Progressive Citizens of America.  
 LaGuardia, Fiorello.  
 Mallery, Lawrence.  
 Margold, Mrs. Stella, correspondent, Boston, Mass.  
 Marshall, Mrs. Katherine Lee, legislative secretary, Women's International League for Peace and Freedom.  
 McDonald, Dr. J. J. (Rutherford Sharp), radio broadcaster.  
 Melish, Rev. William H., chairman, National Council of American-Soviet Friendship.  
 Mitchell, Prof. Broadus, Post War World Council.  
 Moore, Mrs. S. J.  
 Muste, Rev. A. J., secretary, Fellowship of Reconciliation.  
 Pirinsky, George, national secretary, Macedonian American People's League.  
 Popper, Martin, secretary, National Lawyers' Guild.  
 Schutzer, Arthur J., executive secretary, American Labor Party, New York State.  
 Shaw, Mark R., associate secretary, National Council for Prevention of War.  
 Smith, Russell, National Farmers' Union.  
 Taylor, Arthur K., Society of Friends.  
 Thom, William T. III, member, Society of Friends.  
 Vernon, Miss Mabel, director of People's Mandate Committee.  
 Waters, Mrs. Agnes.  
 Watley, David.  
 Wood, Richard R.

#### EXCERPTS FROM THE STATEMENTS OF PRINCIPAL WITNESSES

In view of the importance of the statements made before the committee by Acting Secretary Acheson, Secretary Patterson, Secretary Forrestal, and Under Secretary Clayton excerpts from their statements are reproduced below for the information of the Senate.

The general situation and the basic problems confronting us were well summarized in Acting Secretary Acheson's formal statement on March 24, in which he said in part:

The cessation of outside aid to Greece means immediate crisis. Unless help is forthcoming from some other quarter, Greece's economy will quickly collapse, very possibly carrying away with it the authority of the government and its power to maintain order and the essential services. \* \* \*

Essential imports for civilians and for the army under the circumstances can continue for only a few weeks. Two weeks ago the dollar resources available to Greece were only \$14,000,000—enough for 1 month's imports of food and other essentials from the United States and other countries. If imports should cease, the price of such goods as are available would very rapidly reach astronomical figures. This is inflation. Its results in a country so dependent upon imports would be paralysis of the government and of economic life. It would also very probably mean the end of Greek freedom and independence.

The armed bands in the north, under Communist leadership, are already fighting. In the event of economic collapse and Government paralysis, these bands would undoubtedly increase in strength until they took over Greece and instituted a totalitarian government similar to those prevailing in countries to the north of Greece. The rule of an armed minority would fasten itself upon the people of Greece.

In this critical situation, Greece has urgently asked the United States for help. She requests financial assistance for the following purposes: (1) to enable her to carry on essential imports of food, clothing, and fuel necessary for the subsistence of her people; (2) to enable her to organize and equip her army in such a way that it will be able to restore order throughout her territory; and (3) to enable her to begin the process of reconstruction by putting her production facilities in order; (4) finally, Greece requests the aid of experienced American administrative, economic, and technical personnel to assure the effective utilization of what-

ever financial aid may be extended her and to help her to begin the reconstruction of her own economy and public administration.

The situation in Turkey is substantially different, but Turkey also needs our help. The Turkish Army has been mobilized since the beginning of World War II and this has put a severe strain upon the national economy. During the war Turkey received substantial assistance from Great Britain and the United States, which helped her to carry this load.

Today the Turkish economy is no longer able to carry the full load required for its national defense and at the same time proceed with that economic development which is necessary to keep the country in sound condition. With some help from the United States, and further assistance which Turkey may be able to negotiate with United Nations financial organs, Turkey should be in a position to continue the development of her own resources and increase her productivity, while at the same time maintaining her national defenses at a level necessary to protect her freedom and independence \* \* \*

The situation of Greece and Turkey confronts us with only two alternatives. We can either grant aid to those countries or we can deny that aid. There is no possibility of putting the responsibility for extending the aid which Greece has asked from the United States on some other nation or upon the United Nations.

This becomes clear when we consider the specific problems that confront Greece today and the specific kinds of assistance that Greece has requested from the United Nations on the one hand, and from the United States on the other.

Let us consider first the problem arising from outside Greece's borders. Greece has charged before the Security Council that armed bands operating within her territory are partly supplied, trained, and given refuge in Yugoslavia, Bulgaria, and Albania, and that these bands are moving back and forth across the border. Greece has asked the United Nations for help in dealing with this situation, and the Security Council has appointed a Commission which is at the present moment investigating the Greek charges on the spot. It is expected that this Commission will begin writing its report early in April, and that report should be ready shortly thereafter.

We do not know what the report will contain or the action that may be taken by the United Nations upon it. We hope and believe that the United Nations' action in this matter will result in the cessation of disturbances along Greece's northern borders. Such a result would be a most vital contribution to the situation in Greece and make possible the task of stabilization and rehabilitation. It would not be a substitute for the assistance which Greece has asked from the United States. More is needed to deal with internal disorder and economic break-down.

The second problem confronting the Greek Government is the need for supplies and funds to enable it to cope with its internal difficulties, namely, the restoration of order in the country and the averting of economic collapse. The United Nations Relief and Rehabilitation Administration and the British Government have been helping Greece with these particular problems, and the present crisis has arisen because those two supports must be withdrawn.

To whom was Greece to turn? The Food and Agriculture Organization of the United Nations which recently sent a mission to Greece recommended that the Greek Government request the Economic and Social Council of the United Nations and the United States and the United Kingdom to extend aid to it in securing funds for the continuation of essential food and other imports to cover the period after UNRRA's withdrawal, until expanding exports, international development loans, and expanding production should enable Greece to balance its international accounts.

If Greece had applied to the United Nations or any of its related organizations, the essential element of time would have been lost and the end result would have been the same. The funds would have to come primarily from the United States. The United Nations does not of itself possess funds. The Economic and Social Council is an advisory body that recommends economic and financial and social action to member states. The International Bank, which is just now completing its organization, is set up primarily to make self-liquidating loans for long-term reconstruction purposes. It has not yet made any loans whatsoever. The Economic Commission for Europe is still in its early organization stage.

It may be that at some future time the United Nations will be organized and equipped so as to render emergency aid to member states of the kind now needed in Greece and Turkey. But, as the President said, the United Nations and its related organizations are not now in position to extend help of the kind that is required. Even if some organ of the United Nations should decide to recommend



assistance to Greece and Turkey, it would have eventually to turn primarily to the United States for funds and supplies and technical assistance. Even if the project were not blocked by the objections of certain members of the United Nations, much time would have been lost, and time is of the essence \* \* \*

Under Secretary Clayton took up specially the economic and financial aspects of the proposed program, saying in part:

I shall endeavor to outline the program of assistance which is proposed. The Congress has already been advised that with the termination of UNRRA shipments Greece will require minimum relief aid of \$50,000,000 if serious malnutrition and further retrogression in the minimum operation of the economy are to be prevented. This sum will be provided under the post-UNRRA relief bill if this is approved by the Congress.

This amount of relief aid alone would not, however, be enough to restore domestic security and provide the minimum reconstruction and stability which are essential if Greece is again to take her place among the self-supporting democratic nations of the world.

For this purpose it is believed that approximately \$300,000,000 will be necessary. Of this, about half would be devoted to making available to the Greek armed forces the arms, ammunition, clothing, rations, and equipment necessary to deal effectively with the guerrillas. The political and military reasons for strengthening the Greek Army have been discussed by others, but I should like to emphasize that the establishment of military security is an essential prerequisite to economic stability. \* \* \*

The economic program envisaged will cost about \$150 million. Of this amount we have estimated that imported equipment and materials for reconstruction until June 30, 1948, will cost about \$50,000,000. The first priority in reconstruction must be given to the restoration of transport facilities. Internal transportation in Greece is a serious bottleneck to further recovery.

The railroad network should be restored and sufficient rolling stock provided. Greek highways have deteriorated so seriously that the life of vehicles is only a fraction of normal and operating costs are excessively high. The two principal Greek ports, Piraeus and Salonica, were very badly damaged and have been restored on only a provisional basis.

In order to make progress toward the restoration of the Greek transport system, it will be necessary to import considerable quantities of rolling stock, rails, structural steel and bridge-building material, road machinery and earth-moving equipment, some vehicles, and the services of United States contractors and technicians.

Restoration of damaged and destroyed electric utilities and communications systems must also be given a high priority. Substantial imports of electrical machinery and communications equipment will be required.

The various flood-control, irrigation, and water-control projects likewise require restoration. These facilities were neglected by the Nazi invaders and the equipment necessary to keep them in good condition was either destroyed or removed. The dams, dikes, canals, and ditches have, as a result, deteriorated seriously, and unless they can be reclaimed soon, further deterioration and loss of agricultural output is inevitable. Hydraulic dredges, draglines, bulldozers, and tractors are needed. Such equipment will have to be imported.

Industrial facilities in Greece need extensive repair; and equipment removed or destroyed by the Nazis needs to be replaced. Substantial imports of industrial and mining equipment will be required to permit Greek production to return to prewar levels.

In addition to industrial reconstruction, Greece urgently needs further assistance in the rehabilitation of agriculture. UNRRA has made a start by the importation of some livestock, farm machinery, food-processing equipment, and the like. Our program includes \$20,000,000 for this important task. \* \* \*

It is our firm opinion that the reconstruction program in Greece cannot be carried out successfully unless consumers' goods are made available from abroad, roughly equivalent in value to the drachma expenditures in connection therewith. The best available estimate of these expenditures is \$80,000,000. The precise method of carrying out an integrated program of reconstruction, including the procurement and distribution of the necessary consumers' goods should, I believe, be left for determination by the American mission which it is proposed to send to Greece. \* \* \*

Turkey has sufficient current foreign exchange earnings to finance the importation of the normal requirements of the civilian economy. Turkey also has about \$245,000,000 in gold and foreign exchange largely accumulated during the



war under circumstances which will no longer prevail. The existence of this reserve has contributed in large part to the maintenance of confidence in the Turkish currency and avoidance of strong inflationary tendencies. This reserve also helps to give Turkey a credit standing which should enable her to secure, through existing credit channels, a portion of the funds she needs for general economic development. It should not be assumed, however, that Turkey will continue to add to her foreign exchange reserves indefinitely in view of the unusually favorable conditions which existed for her during the war.

If Turkey has to spend large amounts of foreign exchange for strengthening her military defenses, she can accomplish this, if at all, only at the expense of a serious reduction in her currency reserves and curtailment of civilian imports which would seriously react on her domestic economy. This development would impair the credit standing upon which Turkey depends for obtaining financial assistance for general economic development.

I want to emphasize that none of the \$100,000,000 recommended for Turkey is for normal civilian supply purposes. All of it will be expended for purposes which will contribute to the security of Turkey. This would include equipment for the Turkish armed forces and, possibly, related projects such as rehabilitation of the Turkish railroad system.

Secretary Patterson stressed the military needs of Greece and Turkey, saying, in part, in his statement of March 24:

Timely assistance at this time on our part should enable the Greek forces to deal effectively with the armed resistance and to restore order. But there is no doubt of the fact that assistance is needed.

The Greek Army and Air Force are obliged to depend on external sources for their military equipment and for their food supply. The proposed assistance will enable the Greek Government to procure equipment and supplies not obtainable in their own country, as well as assistance in the training and instruction of key personnel in operation and maintenance of equipment so procured. The material required is principally repairs and gasoline for airplanes, weapons and ammunition, vehicles and fuel, clothing and food. In money value, weapons and ammunition account for about one-third; vehicles, fuel, clothing, and food for another one-third; the balance would go for such items as engineering supplies, communications equipment (such as radios, telephones, and wire), mules and horses for use in the mountains, and miscellaneous supplies.

It is believed that about one-half of the requirements would consist of civilian-type supplies. The need for a considerable part of these supplies can be met from present War Department stocks. But since a portion only can be provided out of surplus stocks, the passage of legislation will be necessary in order to make possible the replenishment of War Department stocks by procurement from United States sources.

We believe that we have a reasonably accurate picture of the nature and scope of the assistance required by the Greeks. We feel assured that the authorization requested in the legislation is in an amount which is justified by the requirements of the situation. We are taking steps to review and to study in detail the data upon which the recommendations are based. Clearly, however, the urgency of the situation does not justify the delay which would be required to make a minute analysis of the long lists of supplies and of all the various tables of organization and equipment upon which the estimates are based. \* \* \*

As in the case of Greece, it is our purpose in programing assistance to Turkey to provide the most necessary of their military requirements which they are not in a position to provide for themselves. Without such assistance, Turkey may be unable to maintain its national integrity, which, as the President has stated, is essential to the preservation of order in the Middle East. We know that the situation of the Turkish armed forces and the internal condition of Turkey are not at this time as acute as in the case of Greece; and we know also that assistance rendered to Greece will have valuable collateral effects upon the Turkish position. It is believed, however, that we should be forehanded in facing this situation by taking positive steps to avert further crises. \* \* \*

To summarize: In Greece, the situation is one characterized by internal disorder due to economic crisis and to the warfare waged by the armed bands. Our objective is to help the Greek Government economically and militarily. From the War Department viewpoint, the best way to render military assistance is to provide equipment with which to make possible Greek control of her internal disorders and at the same time permit reorganization of the Greek Army as an effective force in the preservation of national integrity and peace. We can help

Turkey from the military standpoint, first by our assistance to Greece, and second by making it possible for the Turks to modernize their armed forces to an extent which will enable them to maintain their stability at this time.

Secretary Forrestal said in his statement of March 24 with regard to the naval aspects of the situation:

As regards Greece, preliminary departmental studies based on the limited information now available indicate that Greek naval needs will consist principally of certain types of amphibious vessels such as tank landing ships, personnel boats, tugs, and other minor craft. There also appears to be a requirement for minesweepers and minesweeping gear to sweep mines from coastal waters to clear the way for coastal shipping needed to support the Greek economy. Information currently available as to the extent that other naval material is required or as to the extent of the requirements for instruction and training of Greek naval personnel is incomplete. These matters can be determined when a report is available from those United States naval personnel who may be sent to Greece.

Information available to the Navy Department indicates that British assistance to the Greek Navy during the last year totaled over \$8,000,000 including, among other things, fuel, food, ordnance materials, and clothing. This expenditure, if it may be considered as an indication of current requirements, will of course be in addition to the cost of naval ships which may be required by Greece.

As in the case with Greece, the Navy Department has only preliminary and incomplete information regarding Turkish naval needs. Requests and inquiries received from the Turks are of a preliminary and tentative character. However, a thorough investigation concerning the present condition of the Turkish Navy and an exhaustive study of the necessary tactical and strategic employment of the Turkish Navy must be made. Details would be determined by naval experts who could be sent to Turkey under the authority of the bill under consideration.

#### PURPOSES FOR WHICH MONEY WOULD BE SPENT

##### *Greece*

The program of assistance proposed in S. 938 does not duplicate the relief assistance for Greece provided under the post-UNRRA relief resolution now before the Congress (H. J. Res. 153). The Department of State estimates that at least \$50,000,000 would come from the funds authorized by House Joint Resolution 153 to meet minimum relief needs in Greece to prevent serious malnutrition and further retrogression in the operation of the national economy.

The assistance proposed in S. 938 provides an additional sum of about \$300,000,000 for Greece. This total consists of \$150,000,000 for arms, ammunition, rations, clothing, and other supplies and equipment for the Greek armed forces for 15 months ending June 30, 1948. This sum will permit the Greek armed forces to maintain a determined campaign against guerrilla bands during the summer of 1947 and to maintain their forces at a strength sufficient to assure internal order thereafter.

The remaining \$150,000,000 in the Greek program is intended for civilian reconstruction and rehabilitation. Of this amount, the Department of State estimates that \$50,000,000 will be required for the foreign exchange costs of equipment, materials, and services needed in reconstruction projects. A preliminary break-down of the reconstruction program would be as follows: Roads, \$10,000,000; railroads, \$11,000,000; ports and harbor facilities, \$3,000,000; public utilities and telecommunications, \$5,000,000; reclamation and irrigation, \$8,000,000; industrial reconstruction, \$6,000,000; mines, \$2,000,000; and housing, \$5,000,000. First priority in this list would be given to restoration of transport facilities in order to break this serious bottleneck to further recovery in Greece. In order to make progress in restoration of railways and highway transportation and of port

facilities, it will be necessary to import considerable quantities of rolling-stock, rails, structural steel, road machinery, some vehicles and services of American contractors and technicians.

Restoration of damaged and destroyed electric utilities and communications systems is also given a high priority. The various flood-control, irrigation, and water-control projects, which suffered serious damage and deterioration, also require restoration in order to prevent loss of agricultural output and further deterioration. Industrial facilities in Greece need extensive repair; and equipment removed or destroyed by the Nazis needs to be replaced. All these require substantial imports of a wide variety of supplies and equipment, and of technical services, in order to bring Greek production back to prewar levels.

In addition to industrial reconstruction, the program provides \$20,000,000 for agricultural rehabilitation. UNRRA made a start by the importation of some livestock, farm machinery, food-processing equipment and the like. Greece urgently needs additional assistance for these purposes and for repairs equipment and fishing equipment in order to enable her to increase her agricultural output for domestic consumption and for foreign-exchange producing exports.

#### *Turkey*

The \$100,000,000 recommended for Turkey is to be expended for purposes which will contribute to the security of Turkey. This would include equipment for the Turkish armed forces, and, to the extent that further studies may indicate desirable, related projects of military significance such as rehabilitation of the Turkish railway system. No part of the amount recommended for Turkey is for normal civilian supply purposes.

#### TIME FOR WHICH ASSISTANCE WILL BE GRANTED .

The amount of \$400,000,000 authorized under S. 938 would be sufficient to cover expenditures through the period ending June 30, 1948, for the program for both Greece and Turkey. Whether further expenditures may be required for a successful conclusion of the program cannot now be determined. In any event, the successful application of the funds so authorized for Greece and Turkey would improve considerably their economic and their credit position.

#### SUPERVISION OF EXPENDITURE OF FUNDS

The organization plans of such a mission have not been completed, but action would be taken promptly to send a small group, perhaps 25 to 50, headed by a chief of outstanding ability, to initiate the program, and to develop the plans in more detail, and to establish the necessary relationships with the Greek Government. Expenditures for the Greek program would not be made until specific plans have been developed, and have been approved by this Government. The American mission in Greece would be in a position to carry a large part of the responsibility for this activity. The expenditure in Greece of any funds that may be made available to the Greek Government for the program would be subject to control by the American mission there. Purchases in the United States with the funds made available would be made through the procurement agencies of this



Government, or, if made otherwise, would be subject to careful supervision and strict control.

The committee is strongly of the opinion that the fullest success will not be achieved unless competent persons are sent to Greece to insure the development of controls at key points and to supervise their application. The United States Government must be assured that sound policies will be adopted and effectively administered in matters such as the following:

Fiscal methods, a modern tax structure, strict husbanding and control of the foreign exchange earnings of the Greek people, conservation of remaining gold resources, a restriction on unessential imports, and the expansion of Greece's exports. These measures are necessary to enable Greece to achieve stability.

The interest of the United States in the military programs will be administered through small groups of United States military and naval personnel sent to Turkey and Greece. These would review requirements and advise in the best application and use of the materials and equipment, made available to the armed forces of Greece and Turkey.

#### FORM OF FINANCIAL AID—GIFT, LOAN OR GRANT

The bill provides that the President shall determine the terms upon which assistance will be furnished to Greece and Turkey from the appropriations authorized. These terms may be loans, credits, grants, or otherwise. In view of the unusual conditions confronting us in this situation, the committee does not believe that it would be wise or practical to attempt to specify further in the legislation what these terms might be.

Assistance provided under this bill for military purposes, being essential to our own security, and not in itself creating the wherewithal to repay, should be made as a clear grant. Financial assistance for current civilian consumption should also be a grant since such assistance would not directly produce capital assets. Repayment could be sought, however, when the direct effect of the financial aid is to create capital assets and the ability on the part of the receiving country to meet such obligations in foreign exchange. However, financial repayment obligations should not be established if there appears to be no reasonable prospect of repayment.

#### EXTENT OF PREVIOUS AID BY THE UNITED STATES

##### *Greece*

The United States Government has made available to the Greek Government up to the beginning of 1947 approximately \$196,500,000 in loans or credits as indicated below. Of this amount, approximately \$56,000,000 are available for further use in the future. In addition, the United States share of UNRRA shipments to Greece amounts to \$255,000,000 (excluding freight).



## United States aid to Greece

[In millions of dollars]

United States agency	Authorized	Disbursed	Remainder available
Export-Import Bank.....	\$25.0	\$5.2	\$19.8
OFLC Surplus Credit.....	45.0	23.8	21.2
Maritime Commission.....	45.0	30.0	15.0
Lend-Lease.....	81.5	81.5	-----
Total.....	196.5	140.5	56.0
UNRRA.....	255.0	-----	-----
Total.....	451.5	-----	-----

*Turkey*

The United States Government has disbursed or advanced \$101,000,000 to Turkey as aid of one sort or another since the war began. Turkey has remaining \$30,000,000 more from the authorizations available for further use. UNRRA, to which the United States contributed, has made no advances to Turkey. A summary of United States aid from the beginning of the war to January 31, 1947, follows:

United States Agency	Authorized	Disbursed	Remainder available
Export-Import Bank:			
Westinghouse.....	\$3,060,000	-----	\$3,060,000
Exporter credit.....	25,000,000	\$4,905,440	20,094,560
OFLC credits.....	10,000,000	3,226,518	6,773,482
Lend-Lease.....	90,000,000	90,000,000	-----
Maritime Commission.....	2,919,811	2,919,811	-----
Total.....	130,979,811	101,051,769	29,928,042

<sup>1</sup> In addition, the Turkish Government received \$5,000,000 in lend-lease articles for which it paid cash.

## NATURE OF THE MILITARY ASSISTANCE PROPOSED

It has been clearly brought out in the hearings that the military assistance contemplated in the bill will consist only of arms and other supplies for the armed forces of Greece and Turkey, such supplies to be provided on the basis of investigations and recommendations by small military missions sent out by the United States in an advisory capacity. It is proposed solely to help these Governments help themselves and not to assume military responsibilities for them. There is no plan to send to Greece or Turkey combat forces of any nature. The supplies in question are expected to have, in the case of Greece, a maximum value of about \$150,000,000 and, in the case of Turkey, about \$100,000,000 during the period ending June 30, 1948. They will be designed in each case to meet the specific needs of the Greek and Turkish armed forces as they may be determined by American experts.

Secretary Patterson testified that the material required for Greece— is principally repairs and gasoline for airplanes, weapons and ammunition, vehicles and fuel, clothing and food. In money value, weapons and ammunition account for about one-third; vehicles, fuel, clothing, and food for another one-third; the balance would go for such items as engineering supplies, communications equipment (such as radios, telephones, and wire), mules and horses for use in the mountains, and miscellaneous supplies.

For Turkey the assistance would take the form principally of equipment which Turkey cannot produce, such as anti-aircraft weapons, transport equipment, communications equipment, and some railway and port improvements.

The total personnel involved in determining these needs and in supervising the delivery of the equipment will be quite small in number. Testimony heard by the committee indicates that the military mission to Greece would probably not exceed 40 and the naval mission would probably be less than 30.

#### THE UNITED NATIONS AND THE GREEK-TURKISH PROBLEM

During the course of its hearings, the committee has carefully explored the relationship between the President's proposals and the role of the United Nations.

It has become increasingly clear that by taking the action suggested by the President, the United States will be fulfilling a basic objective of the United Nations Charter—to create conditions of political and economic stability which will preserve the freedom and independence of its members and thus safeguard their sovereign equality. The United Nations was not created to supersede friendly relations between states through assistance from one state to another to carry out the purposes set forth in the Charter.

The Greek Government has requested the assistance of both the United States and the United Nations. At the request of the Greek Government, the Security Council of the United Nations is already dealing with important aspects of the Greek problem. A commission of investigation of the Security Council is concluding an investigation of the disturbed conditions along the northern Greek border. The action taken by the Security Council on the basis of its report should contribute materially to the maintenance of the political independence and the territorial integrity of Greece.

The committee is satisfied that the type of assistance for which Greece and Turkey have asked the United States as a matter of urgency cannot now be furnished by the United Nations. The question is not whether the assistance requested should be granted by the United States or by the United Nations, but whether it shall be granted immediately by the United States. Greece and Turkey stand in need today of equipment and technical assistance for their armed forces if the authority of their Governments and their territorial integrity are to be maintained.

Furthermore, the United Nations is not in a position to furnish the funds so critically needed by Greece to prevent an economic collapse. There is no United Nations agency which can fill the immediate economic vacuum which will be created by the imminent termination of UNRRA and British aid. The United Nations itself has no funds to lend or grant to member nations. The Economic and Social Council is at present primarily an advisory body without resources to make direct financial grants. The International Bank for Reconstruction and Development has not yet begun to make loans; and, if it had, would scarcely regard Greece as a sound credit risk in the present circumstances. The Economic Commission for Europe, which has just been established by the Economic and Social Council for the specific purpose of coordinating reconstruction activities on

that continent, cannot begin to function for some time to come. Even if some United Nations body were to recommend economic action on behalf of Greece, the United States is the only country which could provide the bulk of the necessary assistance. For these reasons, the committee has concluded that direct and straightforward aid from the United States is necessary to meet the short-term crisis now confronting Greece.

The proposals made by the President do not preclude longer-range action by United Nations agencies on behalf of Greece. On the contrary, they set the stage for such action. Without the application of first-aid measures today, the gradual restoration of Greece's economic health would be impossible. The bill under consideration should permit Greece to achieve a degree of economic recovery and political stability sufficient to warrant financial assistance from the International Bank. Other types of aid which may eventually be rendered under the auspices of the United Nations are indicated by the comprehensive recommendations of the Food and Agriculture Organization's Mission for Greece. These recommendations include the organization of a United Nations advisory mission whose personnel might be drawn from the United Nations itself and from various specialized international organizations, such as the Food and Agriculture Organization, the International Labor Organization, the World Health Organization, the International Monetary Fund, and the International Bank for Reconstruction and Development.

#### PROPOSED ASSISTANCE NOT INTERVENTION

The assistance contemplated in this bill has been repeatedly requested by the Greek and Turkish Governments. If we respond to these requests, we cannot be said to be intervening in the affairs of Greece and Turkey, since whatever action we may take will be at their request and with the full agreement of their Governments. The committee is assured that the greatest care will be taken to avoid taking any action which could be regarded as an infringement on the sovereignty of either country.

#### QUESTION OF ASSISTANCE TO OTHER STATES

In his message to the Congress on March 12, the President said:

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

I believe that we must assist free peoples to work out their own destinies in their own way.

I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes.

During the course of the hearings it was made clear that this policy will not and cannot be implemented in the same manner in each case. A number of factors must enter into any particular decision in this regard, among them the question of whether a given country is in really serious straits, whether it genuinely desires American support, and whether as a practical matter the United States would be able to provide it effective assistance and support. Consequently, it is not to be assumed that this Government will be called upon, or will attempt, to furnish to other countries assistance identical with or closely



similar to that proposed for Turkey and Greece in the present bill. If similar situations should arise in the future they will have to be examined in the light of conditions existing at the time.

#### PROPOSED ACTION AN AID IN PRESERVATION OF PEACE

On the basis of the information it has received during the hearings, the committee is convinced that the proposed action would be an effective measure toward the preservation of peace. It would tend to strengthen the stability and to support the independence of two countries which lie between the east and the west. If the constitutional systems of Greece and Turkey should be overthrown, if these two countries should be deprived of their independence and their peoples of their liberties, political disorder and economic chaos might well be expected in other countries on the Mediterranean, in the Near and Middle East, and even in Europe. World peace would be in extreme danger in an atmosphere of the kind which would be created. On the other hand, the reestablishment and maintenance in Greece and Turkey of political and economic security would not only tend to prevent disintegration in neighboring areas but would have a powerfully encouraging influence upon all regions of the world now suffering from the disorganization, fears, and uncertainties which serve as breeding grounds for wars.

#### UNITED STATES NOT ASSUMING BRITISH OBLIGATIONS

It is quite clear to the committee that the proposed legislation is not based in any way upon the idea that the United States should assume the obligations or take over any position which Great Britain may have or may have had in either Greece or Turkey. Rather, this legislation would enable the United States to pursue a positive policy of its own in its own interest, in the interest of Greece and Turkey, and in the interest of world peace based on the principles of the United Nations. In extending aid of the character proposed, the United States would not be underwriting the position of any other power or interfering with the legitimate interests of any other power.

#### ATTITUDES OF THE UNITED STATES GOVERNMENT TOWARD THE EXISTING REGIMES IN GREECE AND TURKEY

The primary purpose of the assistance proposed to be rendered under the bill is to enable the peoples of Greece and Turkey to retain their freedom to decide for themselves what the form and composition of their Governments are to be. It is believed that given conditions in which they feel themselves secure politically and economically, the peoples of both these countries will decide to continue along the road of democracy down which they have already made much progress.

This committee is convinced that our Government does not propose to interfere in the internal affairs of Greece or Turkey. It proposes to confine its assistance to that of the character set forth in the bill. The committee agrees that pressure by representatives of our Government to bring about a change of government in either Greece or Turkey would be an infringement of sovereignty entirely foreign to the purpose and spirit of the program. However, as Acting Secretary



Acheson properly observed in his testimony before the committee, this does not mean that we "condone everything the present Government has done or will do." He added:

It is not the object of our aid to Greece either to help to maintain or to help to remove the present Government or the King of Greece. It is our object to help to maintain the present constitutional system of Greece so long as the majority of Greeks desire it, and to help Greece create conditions in which its free institutions can develop in a more normal fashion.

In Greece today we do not have a choice between a perfect democracy and an imperfect democracy. The question is whether there shall be any democracy at all. If the armed minorities that now threaten Greece's political and economic stability were to gain control, free institutions and human freedoms would disappear and democratic progress would come to an abrupt halt.

#### ACTION TAKEN BY THE FOREIGN RELATIONS COMMITTEE

On April 1, 2, and 3 the committee met in executive session to complete its consideration of the bill and to examine some 22 amendments that had been proposed. On April 3, by a vote of 13 to 0, it decided to report the bill favorably to the Senate with the following amendments:

1. The first amendment is designed to identify the extension of assistance to Greece and Turkey more closely with the United Nations program and purposes. It points out the functions already being undertaken by the Security Council and the Food and Agriculture Organization with respect to Greece, but indicates that the United Nations is not now in a position to furnish the financial and economic assistance immediately required. Inasmuch as Greece and Turkey sought aid from the United States in order to preserve their independence and their national integrity, the amendment makes clear that the steps contemplated by the United States are in conformity with the principles and purposes of the United Nations Charter. The committee felt it essential to leave no doubt whatsoever with respect to this point.

The amendment, insert the following preamble:

Whereas the Governments of Greece and Turkey have sought from the Government of the United States immediate financial and other assistance which is necessary for the maintenance of their national integrity and their survival as free nations; and

Whereas the national integrity and survival of these nations are of importance to the security of the United States and of all freedom-loving peoples and depend upon the receipt at this time of assistance; and

Whereas the Security Council of the United Nations has recognized the seriousness of the unsettled conditions prevailing on the border between Greece on the one hand and Albania, Bulgaria, and Yugoslavia on the other hand, and, if the present emergency is met, may subsequently assume full responsibility for this phase of the problem as a result of the investigation which its commission is currently conducting; and

Whereas the Food and Agriculture Organization mission for Greece recognized the necessity that Greece receive financial and economic assistance and recommended that Greece request such assistance from the appropriate agencies of the United Nations and from the Governments of the United States and the United Kingdom; and

Whereas the United Nations is not now in a position to furnish to Greece and Turkey the financial and economic assistance which is immediately required; and

Whereas the furnishing of such assistance to Greece and Turkey by the United States will contribute to the freedom and independence of all Members of the United Nations in conformity with the principles and purposes of the Charter: Now, therefore, be it.

2. The second amendment is designed to clarify the authority conferred on the President to incur and defray necessary expenses incident to carrying out the program of assistance to Greece and Turkey. In addition, the term "necessary expenses" is expressly stated to include administrative expenses and compensation of personnel. This amendment was recommended by the legal counsels of the Senate, the House of Representatives, and the State Department.

The amendment: On page 2, lines 21 and 22 after the word "Act" delete the comma and the words "and any necessary expenses related thereto" and the comma thereafter. On page 2, line 12, delete the word "and"; in line 17 delete the period after the word "countries" and substitute a semicolon followed by the word "and"; insert thereafter a new paragraph (5) reading as follows:

(5) by incurring and defraying necessary expenses, including administrative expenses and expenses for compensation of personnel, in connection with the carrying out of the provisions of this Act.

3. The third amendment would require the recipient governments, as a condition precedent to receiving assistance, to agree not to use the financial assistance granted in order to make payments on their debts to foreign countries. The purpose of the amendment is clear and the committee agreed the objective is a desirable one.

The amendment: On page 5, line 5, strike out the word "and".

On page 5, before the period in line 8, insert a semicolon and the following:

and (e) not to use any part of the proceeds of any loan, credit, grant, or other form of financial aid rendered pursuant to this Act for the making of any payment on account of the principal or interest on any loan made to such government by any other foreign government.

4. The overriding purpose of the fourth amendment is to demonstrate beyond any possible question the good faith of the United States and the loyalty of our Government to the United Nations and the ideals for which it stands. The United States is responding to the appeal of Greece and Turkey inasmuch as the United Nations is not yet in a position to render the kind of assistance required at the present time. By this amendment, however, our Government invites the surveillance of the United Nations and indicates its willingness to withdraw any or all aid authorized by the bill whenever the United Nations finds that its own program of action or of assistance to Greece and Turkey make the continuance of American assistance unnecessary or undesirable. Moreover, with respect to any such vote in the Security Council the United States would expressly waive the exercise of the veto and be guided by the collective will of that body.

Members of the committee expressed the sincere hope that in due course the United Nations, acting through the Security Council, the General Assembly, and the various specialized agencies, would be in a position to cope adequately with such situations as that now confronting us in Greece and Turkey. Meanwhile the present amendment would reassure the world that the United States does not intend to act unilaterally but with the tacit if not the express consent of the United Nations.

The amendment: After section 5 insert a new section (6) reading as follows:

The President is directed to withdraw any or all aid authorized herein under any of the following circumstances:

(1) If requested by the Governments of Greece or Turkey, respectively, representing a majority of the people of either such nation;

(2) If the President is officially notified by the United Nations that the Security Council finds (with respect to which finding the United States waives the exercise of the veto) or that the General Assembly finds that action taken or assistance furnished by the United Nations makes the continuance of such assistance unnecessary or undesirable;

(3) If the President finds that any purposes of the Act have been substantially accomplished by the action of any other intergovernmental organizations or finds that the purposes of the Act are incapable of satisfactory accomplishment.

5. The fifth amendment lays down the requirement that the chief of any mission appointed by the President to handle the program of assistance to Greece or Turkey must be confirmed by the Senate. This does not mean that the Senate would be called upon to approve the heads of various technical missions which might be sent to these countries. Confirmation would be required only for the chief of mission responsible for the entire program of assistance to Greece or to Turkey.

The amendment: At the end of the bill add a new section as follows:

SEC. 8. The Chief of any Mission to any country receiving assistance under this Act shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions relating to the administration of this Act as the President shall prescribe.

#### NEED FOR SPEEDY ACTION BY THE SENATE

The appeal which the Greek Government made to the United States on March 3, 1947, stressed the fact that in view of recent developments in Greece "further and immediate assistance has unfortunately become vital." Likewise the President, in his message to the Congress, underlined the urgency of the situation. "We must take immediate and resolute action," he said. Clearly this is not a matter which can be postponed; delayed action might prove more ineffectual than no action at all. The independence and integrity of Greece and Turkey are at stake; and assistance, if it is to be given at all, must be given at once. The Committee on Foreign Relations, therefore, convinced that the recommendations of the President are in the best interests of world peace, recommends the passage of the bill and urges the Senate to act upon it at the earliest possible time.





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